

FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

Borough of Highlands
Monmouth County, New Jersey

May 2025

Adopted by Highlands Land Use Board
on x x, 2025

Prepared By:



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

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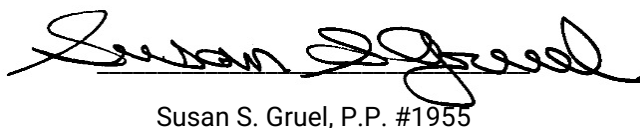
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The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12

A handwritten signature in black ink, appearing to read "Susan S. Gruel", written over a horizontal line.

Susan S. Gruel, P.P. #1955

With contributing content by Megan Adam and Brooke Schwartzman, Associate Planners

Principals in Charge:

Susan S. Gruel, P.P. #1955 Fred Heyer, AICP, P.P. #3581

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EXECUTIVE SUMMARY

The following Fourth Round Housing Element and Fair Share Plan has been prepared for the Borough of Highlands in the County of Monmouth in accordance with the Fair Housing Act as most recently amended (P.L. 2024, c 2).

The Borough of Highlands is a 1.4 square mile developed community located in the central part of New Jersey in the County of Monmouth. The Borough borders the communities of Atlantic Highlands and Middletown, and is located across the Sandy Hook Bay from Sea Bright. Route 36 traverses the Borough in its eastern section and connects Highlands with Sea Bright by way of the Captain Joseph Azzolina Memorial Bridge. The southeastern section of the Borough sits on a high bluff, overlooking the Sandy Hook Bay and Atlantic Ocean.

According to the 2020 Census, Highlands' population was 4,621, which represents a decrease of 7.7 percent from 2010. The US Census Bureau 2018-2023 American Community Survey estimates a total population of 4,575 in 2023. In 2020, the median age of Borough residents was 49.3 years, and the average household size decreased slightly from the 2010 level of 2.08 persons to 1.75 persons.

The housing stock of the Borough is predominantly single-family detached dwelling units. A majority of the housing structures were built in the 1970s. The Borough is located in Housing Region 4, a region that consists of Mercer, Monmouth, and Ocean counties. Based on the 2025 Regional Income Limits, the median income in Region 4 for a four-person household is \$134,600, the moderate-income is \$107,680, and the low-income is \$67,300.

Highlands Borough entered into a Settlement Agreement with Fair Share Housing Center (FSHC) to establish the Borough's Third Round affordable housing obligation on June 19, 2019. The subsequent compliance efforts were approved by the Court in a Final Judgement of Compliance and Repose (JOR), dated May 22, 2020, confirming the Borough satisfied its Third Round obligations.

The Borough was able to fully meet its Prior Round and Third Round obligations through credit-worthy units that are existing or proposed, as well as through rental bonus credits.

The Borough has a Fourth Round rehabilitation share of 0 units and a Fourth Round Prospective Need of 30 units. This Prospective Need is separated into a realistic development potential (RDP) of 0 units and an unmet need of 30 units.

The Borough will fully address its Fourth Round obligations through the following mechanisms: existing credits, rental bonus credits, proposed inclusionary zoning, Mandatory Affordable Housing Set-Aside Ordinance, and Development Fee Ordinance.

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's most densely populated state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the response of municipalities to Mount Laurel II. It sought to "put steel" into the doctrine by making it far easier for developers to secure a builder's remedy. The builder's remedy created an incentive to developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from anyone who would sue it and claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the AMG decision which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and

no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

First and Second Rounds

The First and Second Rounds under COAH are collectively referred to as the "Prior Round." The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

Third Round

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn't establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality's affordable housing obligation, known as "growth share." This method required municipalities to project future residential and non-residential development and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH released revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised third round rules, like the initial third round rules established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH's third round regulations, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula and directed COAH to use similar methods to those used in the First and Second Rounds.

COAH proposed third round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH had a meeting to consider adopting these rules on October 20, 2014, it deadlocked and then failed to make any efforts to break the deadlock.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH's failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing.

The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations. The decision also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose (“JOR”) from a court, which was the “judicial equivalent” of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court’s Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) (“Mount Laurel V”), which held that need having accrued during the Gap Period (1999-2015) had to be addressed and was part of the Present Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap period that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015). Municipalities that received their Final Judgement of Compliance and Repose had immunity from builders’ remedy lawsuits through the end of the Third Round, June 30, 2025.

Fourth Round

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new methodology for determining municipalities’ affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA required the DCA to base its analysis of the obligations for each municipality

based upon the standards set forth in the amended FHA. Accordingly, on October 18, 2024, the DCA released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State's municipalities. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own analysis of their obligation based on the methodology in the legislation and previously established by the Courts. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025 committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025 which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave "the program" until March 31, 2025 to try to resolve any disputes over the fair share numbers to which a municipality committed through an "Affordable Housing Dispute Resolution Program". The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities.

The amended FHA gives municipalities until June 30, 2025 to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HE/FSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP), which has yet to be adopted. (A draft SDRP was released in late 2024). As part of the HE/FSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

BOROUGH OF HIGHLANDS' HISTORY OF AFFORDABLE HOUSING

The Borough of Highlands adopted a Housing Element and Fair Share Plan (HE/FSP) as part of its Master Plan in 2004. The Borough, however, did not file a HE/FSP for substantive certification with COAH for either of the previous rounds.

Since Highlands Borough was not under the jurisdiction of COAH at that time and since municipalities needed to be a municipality participating in the COAH process to be eligible to participate in the new procedures established by Mount Laurel IV, the Borough did not file a declaratory judgment action in 2015 in accordance with Mount Laurel IV. Nevertheless, Highlands subsequently took steps to satisfy its affordable housing obligation, including adopting a Housing Element and Fair Share Plan (HE/FSP) on July 14, 2016. Further, on December 27, 2016, the Borough filed a Declaratory Judgement Complaint (Docket No. MON-L-0012-17) seeking the entry of a declaratory judgment (i) approving the Highlands' Housing Element and Fair Share Plan as being in compliance with its obligation to provide its fair share of affordable housing under the Mt. Laurel Doctrine and issuing a Judgment of Repose for a time period commencing upon the date of entry of the Order and expiring on July 1, 2025, and (ii) approving the Highlands' development fee ordinance and Spending Plan for the disposition of its affordable housing trust funds. The Borough's Third Round Spending Plan was adopted on October 16, 2019, and approved by the Court on May 22, 2020.

The Borough entered into a Settlement Agreement with FSHC on June 19, 2019 (Appendix A). The Honorable Linda Grasso Jones, J.S.C conducted a Fairness Hearing on August 9, 2019, at which time she ruled that the Settlement Agreement was fair and reasonable to low- and moderate-income households. On September 23, 2019, the Judge issued an order, attached as Appendix B, memorializing her decision. On October 3, 2019, the Borough's Land Use Board adopted a Housing Element and Fair Share Plan to implement the Settlement Agreement.

On January 15, 2025, in accordance with the standards established by the amended FHA and described above, the Borough adopted Resolution #25-045. This resolution maintained the DCA-generated obligation, to establish its Fourth Round housing obligation, and thus guaranteed protection from builders' remedy suits (Appendix C).

Further, on January 16, 2025, in accordance with the standards established by the amended FHA and described above, the Borough filed a Complaint (Docket No. MON-L-000196-25) seeking the entry of a declaratory judgment (i) to secure the jurisdiction of the Dispute Resolution Program and the Court; (ii) to have the Dispute Resolution Program and the Court approve the Borough of Highlands' Present and Prospective affordable housing obligations as set forth in Resolution #25-045; (iii) to have the Dispute Resolution Program and the Court approve a HE/FSP to be adopted by the Land Use Board and endorsed

by the Council and issue a conditional or unconditional "Compliance Certification" or other similar declaration; (iv) to have the Dispute Resolution Program and the Court confirm Highlands' immunity from all exclusionary zoning litigation, including builder's remedy lawsuits, for the duration of Fourth Round and; (v) to have the Dispute Resolution Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Borough receive and obtain all protections as afforded to it for compliance, including, without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations voluntarily without having to endure the expense and burdens of unnecessary third party litigation (Appendix D).

This Fourth Round HE/FSP sets forth mechanisms implemented to address the Borough's affordable housing obligations and has been prepared in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a Housing Element/Fair Share Plan in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);

- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

PART 1: HOUSING ELEMENT

DEMOGRAPHIC CHARACTERISTICS

Population

The population trends experienced in Highlands Borough, Monmouth County, and the State of New Jersey from 1930 through 2020 are shown below as well as the 2023 population estimate from the U.S. Census Bureau American Community Survey. There were 4,624 residents in Highlands Borough in 2020, which was a decrease of 384 people, or 7.7 percent, from 2010. The population continued to decrease slightly from 2020 to 2023 where the estimated population is 4,575. The Borough experienced steady growth from 1930 to 1980 with the largest and most significant increase in population occurring during the 1970s when the Borough's population increased by 32.5 percent. Monmouth County and the State have also experienced continued growth since 1930. Both the County and State saw significant population increases during the 1990s.

Population Trends									
Year	Highlands			Monmouth County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	1,877	-	-	147,209	-	-	4,041,334	-	-
1940	2,076	199	10.6%	161,238	14,029	9.5%	4,160,165	118,831	2.9%
1950	2,959	883	42.5%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
1960	3,536	577	19.5%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
1970	3,916	380	10.7%	461,849	127,448	38.1%	7,171,112	1,104,330	18.2%
1980	5,187	1,271	32.5%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
1990	4,849	-338	-6.5%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
2000	5,097	248	5.1%	615,301	62,177	11.2%	8,414,350	684,162	8.9%
2010	5,005	-92	-1.8%	630,380	15,079	2.5%	8,791,894	377,544	4.5%
2020	4,621	-384	-7.7%	643,615	13,235	2.1%	9,288,994	497,100	5.7%
2023	4,575	-46	-1.0%	643,615	0	0.0%	9,261,699	-27,295	-0.3%
Total Change	-	2,698	143.7%	-	496,406	337.2%	-	5,220,365	129.2%

Source: 1930-2020 U.S. Decennial Census; 2018-2022 American Community Survey 5-Year Estimates

Population Composition by Age

The median age of the residents in Highlands in 2020 was 49.3 years, which shows a 9.3% increase from the 2010 median age of 45.1. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining impacts these changes have on housing needs, community facilities and services for the municipality. As detailed in the table below, the entire composition of Highlands Borough experienced notable shifts since 2010. The most significant increase was in the 65

and over cohort, which saw an increase of 38.7 percent. The 55 to 64 age cohort also increased significantly by approximately 20.2 percent. Large decreases were seen as well in the under 5 years cohort (-42.9%) and the 45 to 54 age cohort (-33.4%). The largest cohort in 2020 was the 55 to 64 age (20.9%) compared to the 45 to 54 age (21.2%) in 2010. This data suggests that a larger portion of the Borough's residents are transitioning into the senior citizen age range, which will require the Borough to consider planning tools and approaches that encourage aging-in-place.

Population by Age 2010 and 2020, Borough of Highlands						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	5,005	100.00%	4,621	100.00%	-384	-7.7%
Under 5 years	252	5.0%	144	3.1%	-108	-42.9%
5 to 14	336	6.7%	322	7.0%	-14	-4.2%
15 to 24	448	9.0%	326	7.1%	-122	-27.2%
25 to 34	719	14.4%	730	15.8%	11	1.5%
35 to 44	734	14.7%	531	11.5%	-203	-27.7%
45 to 54	1,062	21.2%	707	15.3%	-355	-33.4%
55 to 64	805	16.1%	968	20.9%	163	20.2%
65 and over	644	12.9%	893	19.3%	249	38.7%
Median Age	45.1	-	49.3	-	4.2	9.3%

Source: U.S. Decennial Census, 2010 and 2020

Monmouth County experienced population fluctuation as well, but not nearly as dramatically as the Borough. The most significant increase was also in the 65 and over age cohort, which grew by 37.1 percent. Significant increases were also seen in the 55 to 64 age cohort (25.3%) and 25 to 34 age cohort (11.7%). Decreases were experienced in the under 5 cohort (-14.9%) and the 45 to 54 age cohort (-19.5%).

Population by Age 2010 and 2020, Monmouth County						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	630,106	100.0%	643,615	100.0%	13,509	2.1%
Under 5 years	34,755	5.5%	29,562	4.6%	-5,193	-14.9%
5 to 14	86,679	13.8%	75,723	11.8%	-10,956	-12.6%
15 to 24	78,229	12.4%	79,817	12.4%	1,588	2.0%
25 to 34	64,860	10.3%	72,466	11.3%	7,606	11.7%
35 to 44	86,499	13.7%	75,549	11.7%	-10,950	-12.7%
45 to 54	110,979	17.6%	89,310	13.9%	-21,669	-19.5%
55 to 64	81,688	13.0%	102,356	15.9%	20,668	25.3%
65 and over	86,691	13.8%	118,832	18.5%	32,141	37.1%
Median Age	41.3	-	43.5	-	2.2	5.3%

Source: U.S. Decennial Census, 2010 and 2020

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 2,425 households in Highlands Borough. Roughly 77 percent of the households were occupied by two persons or less. The average household size of the Borough in 2020 was 1.75, significantly less than that of the County's average of 2.51. The Borough's largest percentage of households was a one-person household (44.6%), while the County's was a two-person household (31.1%). The Borough's second most common household size was two-person households (32.2%), and the County's was one-person households, which represented 25.8 percent.

Household Size- Occupied Housing Units, 2020 Borough of Highlands and Monmouth County				
	Borough		County	
	Number	Percent	Number	Percent
Total Households	2,425	100.0%	244,630	100.0%
1-person household	1082	44.6%	63,104	25.8%
2-person household	781	32.2%	76,177	31.1%
3-person household	306	12.6%	40,092	16.4%
4-person household	154	6.4%	39,421	16.1%
5-person household	72	3.0%	17,126	7.0%
6-person household	18	0.7%	5,795	2.4%
7-or-more-person household	12	0.5%	2,915	1.2%
Average Household Size	1.75		2.51	

Source: US Decennial Census, 2020

According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. Slightly less than half of the households in the Borough in 2020 were family households, comprising of 42.5 percent of all households. The average family size was 1.75 persons. Around 30.5 percent of family households were married-couple families, of which the majority (60%) had no children.

In providing more detail of American households, the 2020 Census includes the sub-groups of non-traditional households: other family and non-family households. "Non-family" households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. A majority of households in the Borough (57%) are nonfamily households. Of these households, the number of male and female householders were comparable, at 54% and 46%, respectively. Further, "other family" households accounted for 12% of all households, broken down into 7.8% female householders with no spouse or partner present and 4.2% male householders with no spouse or partner present.

Household Size and Type, 2023 Highlands Borough		
	Total	Percent
Total Households	2,616	100%
Family Households	1112	42.5%
Married couple family	798	30.5%
With children	320	12.2%
Without children	478	18.3%
Other Family	314	12.0%
Male householder, no spouse	109	4.2%
With children	55	2.1%
Without children	54	2.1%
Female householder, no spouse	205	7.8%
With children	106	4.1%
Without children	99	3.8%
Nonfamily household	1504	57.5%
Male householder	813	31.1%
Living alone	752	28.7%
Not living alone	61	2.3%
With children	0	0.0%
Female householder	691	26.4%
Living alone	557	21.3%
Not living alone	134	5.1%
With children	0	0.0%

Source: US Decennial Census, 2020 and 2018-2023 American Community Survey 5-Year Estimates

Income

As measured in 2023, Highlands had a lower median household income compared to Monmouth County and the State of New Jersey. In 2023, the median income in Highlands was \$90,082, roughly \$32,645 less than the County and \$10,968 less than the State's median income. The Borough's per capita income significantly exceeded that of the County and the State.

Per Capita and Household Income		
	2023 Per Capita Income	2023 Median Household Income
Highlands	\$73,460	\$90,082
Monmouth County	\$65,545	\$122,727
New Jersey	\$52,583	\$101,050

Source: 2018-2023 American Community Survey 5-Year Estimates

In 2023, nearly 65 percent of all households in the Borough earned \$50,000 or more with the largest percentage (18.8%) earning \$200,000 or more. This percentage was followed by those households that

earned \$75,000 to \$99,999 (16.9%) and finally those who earned \$150,000 to \$199,999 (14.2%). About 24 percent of households earned less than \$35,000. In Monmouth County, the most common income bracket was also the \$200,000 or more range with roughly 30 percent of households earning that much. Roughly 15 percent of households in the County earned less than \$35,000.

Household Income Borough of Highlands and Monmouth County, 2023				
	Highlands		Monmouth County	
	Number ¹	Percentage	Number ¹	Percentage
Total Households	2,552	100.0%	230,439	100.0%
Less than \$10,000	190	7.4%	8,165	3.5%
\$10,000 to \$14,999	60	2.4%	5,319	2.3%
\$15,000 to \$24,999	172	6.7%	10,781	4.7%
\$25,000 to \$34,999	191	7.5%	10,705	4.6%
\$35,000 to \$49,999	285	11.2%	17,390	7.5%
\$50,000 to \$74,999	201	7.9%	25,153	10.9%
\$75,000 to \$99,999	431	16.9%	25,542	11.1%
\$100,000 to \$149,999	178	7.0%	24,161	10.5%
\$150,000 to \$199,999	363	14.2%	33,996	14.8%
\$200,000 or more	481	18.8%	69,227	30.0%
Median Household Income	\$90,082		\$122,727	

Source: 2018-2023 American Community Survey 5-Year Estimates

1 Due to the data being estimates, the number in each row does not add up with the "total" row.

Poverty Status

Of the 4,575 persons of Highlands' population for which poverty status is determined, 349 individuals, or 7.6 percent, lived in poverty in 2023. Of those in poverty, a majority (87.1%) were in the age range of 18 to 64 years old, and the remaining 12.9 percent were seniors (over 65). The County had a lower poverty rate of 6.4 percent.

Poverty Status Borough of Highlands and Monmouth County, 2023				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total persons	4,575	-	637,240	-
Total persons below poverty level	349	7.6%	40,958	6.4%
Under 18	0	0.0%	9,487	23.2%
18 to 64	304	87.1%	23,232	56.7%
65 and over	45	12.9%	8,239	20.1%

Source: 2018-2023 American Community Survey 5-Year Estimates

Household Costs

The tables below show the expenditures for housing for those who own and rent housing in the Borough of Highlands and Monmouth County. Most people in the Borough lived in homes they owned, and according to the 2018-2023 5-year estimates by the ACS, roughly 26.4 percent of all owner-occupied households spent 30 percent or more of their household income on housing. About 45.4 percent of renter-occupied households spent 30 percent or more of their household income on housing. General affordability standards set a limit at 30 percent of gross income to be allocated for owner-occupied housing costs and 28 percent of gross income to be allocated for renter-occupied housing costs. These figures were on par with those of the County.

Selected Monthly Owner Costs as a Percentage of Household Income 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Owner-Occupied Housing Units	1,673	100.0%	188,578	100.0%
Less than 20.0%	890	53.2%	93,167	49.4%
20.0 to 24.9%	266	15.9%	25,780	13.7%
25.0 to 29.9%	74	4.4%	16,946	9.0%
30.0 to 34.9%	19	1.1%	10,722	5.7%
35.0% or more	424	25.3%	40,650	21.6%
Not computed	0	0.0%	1,313	0.7%

Source: 2018-2023 American Community Survey 5-Year Estimates

Gross Rent as a Percentage of Household Income 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Housing Units	943	100.00%	61,617	100.00%
Less than 10%	30	3.2%	2,113	3.4%
10.0 to 14.9%	0	0.0%	4,993	8.1%
15.0 to 19.9%	129	13.7%	6,970	11.3%
20.0 to 24.9%	150	15.9%	6,927	11.2%
25.0 to 29.9%	71	7.5%	6,419	10.4%
30.0 to 34.9%	60	6.4%	4,751	7.7%
35.0 to 39.9%	31	3.3%	3,057	5.0%
40.0 to 49.9%	20	2.1%	6,163	10.0%
50% or more	317	33.6%	16,805	27.3%
Not computed	135	14.3%	3,419	5.5%

Source: 2018-2023 American Community Survey 5-Year Estimates

Similar to Highlands, a large majority of Monmouth County residents own their home. Roughly 27.2 percent of all County owner-occupied homes spent 30 percent or more of their household income on housing, and

approximately 50 percent of renter-occupied households spend 30 percent or more of their household income on housing.

EXISTING HOUSING CONDITIONS

Housing Unit Data

In 2023, Highlands had a total of 2,616 occupied housing units. A majority of these units (1,673 or 55.8%) were owner-occupied while 943 units (31.5%) were renter-occupied. Housing construction has remained relatively steady from 1930 through 2023, with the exception of the 1970s and 1980s when the Borough saw a surge of construction. About 42 percent of the Borough's entire housing stock was constructed between 1970 and 1989. There is also a significant amount of older construction within the Borough. Roughly 24.5 percent of Highlands' housing stock was built prior to 1940. The median year of construction for the housing stock in Highlands Borough is 1975.

Housing Data, 2023 Highlands Borough			
	Number	% of Total Housing Units	% of Occupied Housing Units
Total Housing Units	2,996	100.00%	-
Occupied Housing Units	2,616	87.3%	100.00%
Owner Occupied	1,673	55.8%	64.0%
Renter Occupied	943	31.5%	36.0%
Vacant Housing Units	380	12.7%	-

Source: 2018-2023 American Community Survey 5-Year Estimates

Year Structure Built Highlands Borough		
	Number	Percentage
Built 1939 or earlier	733	24.5%
Built 1940 to 1949	164	5.5%
Built 1950 to 1959	91	3.0%
Built 1960 to 1969	174	5.8%
Built 1970 to 1979	719	24.0%
Built 1980 to 1989	537	17.9%
Built 1990 to 1999	127	4.2%
Built 2000 to 2009	238	7.9%
Built 2010 to 2019	198	6.6%
Built 2020 or later	15	0.5%
Total Housing Units	2,996	100.00%
Median Year Structure Built	1975	

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2023 ACS estimates, Highlands Borough has a high occupancy rate, with very few of their housing units vacant. Of the Borough's 2,996 housing units, 2,616 (87.3%) were occupied and only 380 (12.7%) were vacant. Over 80 percent of vacant units could be attributed to the "for seasonal, recreational or occasional use" (57.6%) and "other vacant" (24.5%) categories, with "for rent/rented not occupied" accounting for the remaining 17.9%. This data is represented in the table below.

Housing Occupancy, 2023 Highlands Borough			
	Total	% of Total Housing Units	% of Vacant Housing Units
Total Housing Units	2,996	100.00%	-
Occupied	2,616	87.3%	-
Vacant Housing Units	380	12.7%	100.0%
For Rent/Rented Not Occupied	68	2.3%	17.9%
For Sale Only	0	0.0%	0.0%
Sold, not occupied	0	0.0%	0.0%
For Seasonal, Recreational or Occasional Use	219	7.3%	57.6%
For migrant workers	0	0.0%	0.0%
Other Vacant	93	3.1%	24.5%

Source: 2018-2023 American Community Survey 5-Year Estimates

Housing Type and Size

The majority of the housing stock in Highlands is single-family detached housing, with most structures containing three to five rooms. In 2023, there were 1,198 single-family detached homes representing 40 percent of the housing stock. Structures that were comprised of 20 or more units were the next most common housing type, with 501 units or 16.7 percent of the Borough's housing stock.

The median number of rooms within housing structures in the Borough of Highlands was 4.5 with the largest percentage of structures (25.1%) comprised of four (4) rooms.

Housing Type and Size Highlands Borough, 2023		
Units in Structure	Total	Percentage
Total	2,996	100.0%
1, detached	1,198	40.0%
1, attached	258	8.6%
2	245	8.2%
3 or 4	118	3.9%
5 to 9	421	14.1%
10 to 19	238	7.9%
20 or more	501	16.7%
Mobile home	17	0.6%
Boat, RV, van, etc.	0	0.0%
Rooms	Total	Percentage
1 room	0	0.0%
2 rooms	78	2.6%
3 rooms	650	21.7%
4 rooms	753	25.1%
5 rooms	712	23.8%
6 rooms	321	10.7%
7 rooms	335	11.2%
8 rooms	55	1.8%
9 or more rooms	92	3.1%
Total Housing Units	2,996	100.0%
Median number of rooms	4.5	

Source: 2018-2023 American Community Survey 5-Year Estimates

In terms of residential growth, for the period of January 2014 through November 2024, the Borough issued building permits authorizing the development of 206 units. The majority of these building permits were authorized between 2014 and 2017. During this period, 115 permits were authorized. There was a decrease in building permits between 2017 and 2024, which hit a low point in 2020 due to the COVID-19 pandemic. All the construction in the last 10 years has been for one- and two-family structures.

Further, throughout the same 10-year period, the Borough issued permits authorizing the demolition of 265 units, which averages approximately 24 units per year. The average demolition rate is approximately 128% of the abovementioned development rate (i.e., a home net decrease of around 28%). If the demolition rate were to remain relatively constant over the next approximately 10-year period, an additional 265 residential units could be expected to be demolished between January 2025 and the end of 2035, resulting in a projected net decrease (i.e., constructed units - demolished units) of 59 units.

Housing Units Authorized by Building Permits, 2014-2024				
Highlands Borough				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	20	0	0	20
2015	33	0	0	33
2016	62	0	0	62
2017	19	0	0	19
2018	11	0	0	11
2019	15	0	0	15
2020	8	0	0	8
2021	12	0	0	12
2022	17	0	0	17
2023	7	0	0	7
2024*	2	0	0	2
Total 2014-2024	206	0	0	206
10-Year Average				18.7
10-Year Permit Projection (2025-2035)				206

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data
*2024 Data includes January through November

Housing Units Demolished by Building Permits, 2014-2024				
Highlands Borough				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	27	8	0	35
2015	8	0	0	8
2016	4	0	0	4
2017	3	0	0	3
2018	7	4	0	11
2019	12	0	0	12
2020	2	0	0	2
2021	5	0	0	5
2022	5	0	0	5
2023	180	0	0	180
2024*	0	0	0	0
Total 2014-2024	253	12	0	265
10-Year Average				24.1
10-Year Demolition Projection (2025-2035)				265

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data
*2024 Data includes January through November

Housing Values and Contract Rents

According to the 2018-2023 ACS Survey, roughly 93.6 percent of owner-occupied housing stock in Highlands Borough were valued at over \$200,000, and approximately 48.6 percent of all units were financed by a mortgage, contract to purchase, or similar debt. Housing values for owner-occupied housings units are listed in the table below along with mortgage status data. The most common housing-value range was

\$300,000 to \$399,999 with 44.2 percent of all owner-occupied units falling within this range. The second most common value range was between \$500,000 and \$999,999, comprising 33 percent of all owner-occupied units. The median value of an owner-occupied housing unit in the Borough of Highlands in 2023 was \$394,800. A slight majority of Borough housing units had no mortgage at all (51.4%).

The median value of owner-occupied units in the County was significantly higher than that of the Borough at \$566,500. Proportionally there were slightly more owner-occupied housing units with a mortgage at the County level (64.4%).

Value for Owner-Occupied Housing Units Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total	1,673	100.0%	188,578	100.0%
Less than \$50,000	28	1.7%	3,202	1.7%
\$50,000 to \$99,999	20	1.2%	2,703	1.4%
\$100,000 to \$149,999	24	1.4%	1,760	0.9%
\$150,000 to \$199,999	35	2.1%	2,797	1.5%
\$200,000 to \$299,999	213	12.7%	12,780	6.8%
\$300,000 to \$499,999	740	44.2%	55,119	29.2%
\$500,000 to \$999,999	552	33.0%	88,909	47.1%
\$1,00,000 and greater	61	3.6%	21,308	11.3%
Median Value	\$394,800		\$566,500	

Source: 2018-2023 American Community Survey 5-Year Estimates

Table 18: Mortgage Status, 2023 Highlands Borough and Monmouth County						
	Highlands Borough			Monmouth County		
	Number	% of Total Units	% of Units with Mortgage	Number	% of Total Units	% of Units with Mortgage
Total Owner-Occupied Units	1,673	100.00%	-	188,578	100.00%	-
Owner-Occupied Housing Units with a Mortgage	813	48.6%	100.00%	121,452	64.4%	100.00%
With either a second mortgage or home equity loan	86	5.1%	10.6%	16,780	8.9%	13.8%
Second mortgage only	21	1.3%	2.6%	1,583	0.8%	1.3%
Home equity loan only	65	3.9%	8.0%	14,973	7.9%	12.3%
Both second mortgage and home equity loan	0	0.0%	0.0%	224	0.1%	0.2%
No second mortgage and no home equity loan	723	43.2%	88.9%	99,688	52.9%	82.1%
Owner-Occupied Housing units without a mortgage	860	51.4%	-	67,126	35.6%	-

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2018-2023 5-year estimates produced by the ACS, the median contract rent in Highlands was \$1,525. The highest percentage of renters (30.2%) paid between \$1,500 and \$1,999 for rent, followed by 26.8 percent paying \$1,000 to \$1,499 for rent.

The County's median contract rent was slightly higher at \$1,612. Similar to the Borough, over half of renters (52.9%) pay between \$1,000 and \$1,999 for monthly rent. However, approximately 13.1% of renters at the County level paid more than \$2,500 for monthly rent, compared to only 2.2% in the Borough. This data suggests that rent in the Borough is slightly more affordable as it is throughout the County as a whole.

Contract Rent Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Units	943	100.0%	61,617	100.0%
Less than \$500	115	12.2%	4,738	7.7%
\$500 to \$999	61	6.5%	4,636	7.5%
\$1,000 to \$1,499	253	26.8%	16,689	27.1%
\$1,500 to \$1,999	285	30.2%	15,907	25.8%
\$2,000 to \$2,499	152	16.1%	9,176	14.9%
\$2,500 to \$2,999	9	1.0%	4,835	7.8%
\$3,000 or More	11	1.2%	3,242	5.3%
No Rent Paid	57	6.0%	2,394	3.9%
Median Contract Rent	\$1,525		\$1,612	

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2018-2023 American Community Survey 5-Year Estimates, the median contract rent in Highlands Borough is \$1,525 per month (\$18,300 annually). A minimum annual income of \$61,000 (\$18,300/0.30) would be necessary to afford the median contract rent. Because roughly 35 percent of all households within the Borough have an annual household income of less than \$50,000, these households could not afford to live in a dwelling unit at or above the median contract rent. Countywide, an estimated 22.7 percent of all countywide households could not afford to live within a residence whose rent is at or above the median contract rent.

Housing Conditions

The table below details the condition of the housing stock within Highlands Borough. Overcrowding, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, over 65 percent of the Borough's housing stock relied on utility gas for heating, and the remaining utilized electricity (34.9%). Further, there were 53 occupied units (i.e., both owner- and renter-occupied) in Highlands that experienced overcrowding (more than one person per room). Throughout the Borough, no units lacked complete

plumbing facilities or complete kitchen facilities. A total of 49 occupied housing units (1.9%) had no telephone service.

Housing Conditions Borough of Highlands, 2023 Estimates		
	Number	Percentage
House Heating Fuel-Occupied Housing Units		
Total	2,616	100.0%
Utility gas	1,702	65.1%
Bottled, tank, or LP gas	0	0.0%
Electricity	914	34.9%
Fuel oil, kerosene, etc.	0	0.0%
Coal or coke	0	0.0%
Wood	0	0.0%
Solar energy	0	0.0%
Other fuel	0	0.0%
No fuel used	0	0.0%
Occupants per Room- Occupied Housing Units		
Total	2,616	100.0%
1.00 or Less	2,563	98.0%
1.01 to 1.50	0	0.0%
1.51 or More	53	2.0%
Facilities-Total Units		
Total	2,996	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
Telephone Service- Occupied Housing Units		
Total	2,616	100.0%
No Service	49	1.9%

Source: 2018-2023 American Community Survey 5-Year Estimates

EMPLOYMENT DATA

The following tables detail changes in employment from 2010 to 2023 for Highlands, Monmouth County, and New Jersey. Throughout this thirteen-year period, the Borough saw an overall 9.4% decrease in its unemployment rate. The unemployment rate in Highlands Borough steadily decreased between 2010 and 2019, when it reached a low point of 3.4%. Although the Borough experienced a 6.5% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. The unemployment rate of the Borough has remained steadily higher than that of the County and State as a whole, which have experienced similar unemployment trends over the past ten years.

Employment and Residential Labor Force, 2010 to 2023 Highlands Borough				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	3,057	2,649	408	13.4%
2011	3,097	2,674	423	13.6%
2012	2,881	2,580	301	10.4%
2013	2,835	2,579	256	9.0%
2014	2,802	2,600	202	7.2%
2015	2,773	2,603	170	6.1%
2016	2,760	2,620	140	5.1%
2017	2,846	2,695	151	5.3%
2018	2,825	2,705	120	4.2%
2019	2,839	2,742	97	3.4%
2020	2,818	2,539	279	9.9%
2021	2,839	2,638	201	7.1%
2022	2,874	2,767	107	3.7%
2023	2,916	2,798	118	4.0%

Employment and Residential Labor Force, 2010 to 2023 Monmouth County				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	329,551	300,221	29,330	8.9%
2011	328,778	300,484	28,294	8.6%
2012	329,833	300,866	28,967	8.8%
2013	326,499	301,360	25,139	7.7%
2014	325,472	305,760	19,712	6.1%
2015	326,151	309,467	16,684	5.1%
2016	327,405	312,929	14,476	4.4%
2017	335,907	322,337	13,570	4.0%
2018	336,416	324,474	11,942	3.5%
2019	341,968	331,394	10,574	3.1%
2020	336,742	307,993	28,749	8.5%
2021	339,979	319,991	19,988	5.9%
2022	347,680	335,679	12,001	3.5%
2023	352,981	339,416	13,565	3.8%

Employment and Residential Labor Force, 2010 to 2023 New Jersey				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,559,800	4,119,000	440,800	9.7%
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,604,800	4,420,700	184,100	4.0%
2019	4,686,300	4,524,300	162,000	3.5%
2020	4,650,300	4,212,400	437,900	9.4%
2021	4,666,100	4,357,200	308,900	6.6%
2022	4,739,800	4,564,100	175,700	3.7%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

Employment Status

The 2018-2023 5-year American Community Survey estimates reveal that 61.7 percent of Highlands' 16 and over population is in the labor force. About 34 percent of the Borough's 16 and over population is not in the labor force. The County's labor force participation is slightly higher than the Borough, at 66.5 percent.

Employment Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Population 16 years and over	3,990	100.0%	-	526,352
In labor force	2,462	61.7%	100.0%	349,815
Civilian Labor Force	2,406	60.3%	97.7%	349,355
Employed	2,175	54.5%	88.3%	331,018
Unemployed	231	5.8%	9.4%	18,337
Armed Forces	56	1.4%	2.3%	460
Not in labor force	1,528	38.3%	-	176,537

Source: 2018-2023 American Community Survey 5-Year Estimates

Class of Worker and Occupation

According to the 2018-2023 ACS Estimates, the majority of workers (78.4%) living in Highlands Borough were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The second largest category was self-employed (8.8%), followed by those who work for the local government (6.2%).

Table 25: Class of Worker, 2023 Highlands Borough		
	Number	Percent
Total Civilian Employed Workers (Age 16+)	2,175	100.0%
Private Wage and Salary Worker	1,706	78.4%
Local Government Worker	135	6.2%
State Government Worker	83	3.8%
Federal Government Worker	59	2.7%
Self-Employed Worker or Unpaid Family Worker	192	8.8%

Source: 2018-2023 American Community Survey 5-Year Estimates

The occupational breakdown shown in the table below includes only private wage and salary workers. Those that worked within the private wage field were concentrated heavily in management and professional positions, service occupations, and sales and office occupations. Together the three fields account for roughly 91 percent of the entire resident workforce. Production transportation and material moving

occupations employed 4.1 percent followed by natural resources, construction, and material moving occupations employing 4.9 percent of the residents.

Resident Employment by Occupation Borough of Highlands, 2023 Estimates		
	Number	Percentage
Employed Civilian population 16 years and over	2,175	100.0%
Management, business, science and arts occupations	1,260	57.9%
Service occupations	342	15.7%
Sales and office occupations	376	17.3%
Natural resources, construction and maintenance occupations	107	4.9%
Production Transportation and material moving occupations	90	4.1%

Source: 2018-2023 American Community Survey 5-Year Estimates

The most common industry for Highlands' residents is the educational services, and health care and social assistance sector, employing approximately 22 percent of the Borough's resident workforce. The second most common industry is professional, scientific, and management, and administrative and waste management services, which employs 19.4 percent of the Borough's resident workforce. The arts, entertainment, recreation, and accommodation and food services industry has increased in recent years, employing 13.1% of the Borough's resident workforce in 2023.

Employment by Industry Borough of Highlands, 2023 Estimates		
Industry	Number	Percentage
Employed Civilian Population 16 Years and Over	2,175	100.00%
Agriculture, forestry, fishing and hunting, mining	11	0.5%
Construction	147	6.8%
Manufacturing	73	3.4%
Wholesale Trade	14	0.6%
Retail Trade	258	11.9%
Transportation and Warehousing, and Utilities	23	1.1%
Information	143	6.6%
Finance and insurance, and real estate and rental and leasing	142	6.5%
Professional, scientific, and management, and administrative and waste management services	422	19.4%
Educational services, and health care and social assistance	469	21.6%
Arts, entertainment, and recreation, and accommodation and food services	284	13.1%
Other Services, except public administration	82	3.8%
Public administration	107	4.9%

Source: 2018-2023 American Community Survey 5-Year Estimates

Commuting to Work

According to the 2018-2023 ACS Estimates, the mean travel time to work for those who lived in the Borough was 39.6 minutes. A significant percentage of commuters, roughly 89 percent, traveled less than an hour to work, and roughly 50 percent had less than a half-hour commute.

Travel Time to Work Borough of Highlands, 2023 Estimates		
	Number	Percentage
Workers who did not work at home	1,680	100.0%
Less than 5 minutes	29	1.7%
5 to 9 minutes	102	6.1%
10 to 14 minutes	47	2.8%
15 to 19 minutes	341	20.3%
20 to 24 minutes	205	12.2%
25 to 29 minutes	108	6.4%
30 to 34 minutes	151	9.0%
35 to 39 minutes	44	2.6%
40 to 44 minutes	53	3.2%
45 to 59 minutes	84	5.0%
60 to 89 minutes	328	19.5%
90 or more minutes	188	11.2%
Mean travel time to work (minutes)	39.6	

Source: 2018-2023 American Community Survey 5-Year Estimates

The largest portion of workers drove to work alone (56.4%), while 4.3 percent carpooled. Approximately 10.3 percent of workers commuted via public transportation. After the COVID-19 pandemic, working from home became much more popular. This is reflected in the Borough's estimated 22.8% of workers who worked at home in 2023.

Means of Commute Borough of Highlands, 2023 Estimates		
	Number	Percentage
Workers 16 years and over	2,176	100.0%
Car, truck, van - Drove Alone	1,227	56.4%
Car, truck, van - Carpooled	94	4.3%
Public Transportation	224	10.3%
Walked	18	0.8%
Taxicab, Motorcycle, Bike, or Other	117	5.4%
Worked at home	496	22.8%

Source: 2018-2023 American Community Survey 5-Year Estimates

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The tables below provide a snapshot of private employers located within Highlands Borough. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023. The second table reflects the disbursement of jobs by industry in 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Highlands was in 2019 when 699 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Highlands since 2013, with its largest loss occurring from 2019 to 2020 (-11.7%).

Private Wage Covered Employment 2013 - 2023 Highlands Borough			
Year	Number of Jobs	# Change	% Change
2013	505	-	-
2014	541	36	7.0%
2015	552	11	2.1%
2016	559	7	1.2%
2017	555	-4	-0.7%
2018	625	69	12.5%
2019	699	75	11.9%
2020	617	-82	-11.7%
2021	672	55	8.8%
2022	698	26	3.9%
2023	645	-53	-7.6%

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

In-Borough Establishments and Employees by Industry: 2023

The table below depicts the average annual number of establishments and employees by industry sector that exist within the Borough, as grouped by North American Industry Classification System (NAICS). In 2023, the Borough had an annual average of 101 establishments employing on average 645 persons. Accommodations/food was the predominant sector, accounting for 14.9 percent of the establishments in Highlands and 55.7 percent of the Borough's in-place employment.

Average Number of Establishments and Employees by Industry, 2023 Highlands Borough			
Industry ID and Description		2023 Average ¹	
		Units	Employment
11	Agriculture	-	-
23	Construction	7	31
31	Manufacturing	-	-
42	Wholesale Trade	4	30
44	Retail Trade	14	80
48	Transp/Warehousing	-	-
	Information	-	-
52	Finance/Insurance	-	-
53	Real Estate	-	-
54	Professional/Technical	10	16
56	Admin/Waste Remediation	8	21
61	Education	-	-
62	Health/Social	11	14
71	Arts/Entertainment	4	20
72	Accommodations/Food	15	359
81	Other Services	-	-
	Unclassifieds	5	3
	Private Sector Totals	101	645
	Local Government Totals	4	182

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2022

¹Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for populations, households, and employment. The most recent report was released in 2021, documenting projections between 2015 and 2050. Due to the built out nature of the Borough and environmental constraints, there is limited opportunity for job growth. The 2021 report predicts that the Borough's population (0.1%), households (0.2%), and employment (0.4%) will see steady annualized growth through 2050. It is estimated that the population will see an overall 4.5% increase, while households will increase by 6.1% and employment will increase by 15.8%.

Population and Employment Projections, 2015 to 2050 Highlands Borough					
Category	2015	2050 (Projected)	Annualized	Overall Projected Change	
			Percent Change	Number	Percent
Population	4,986	5,208	0.10%	222	4.5%
Households	2,638	2,798	0.20%	160	6.1%
Employment	974	1,128	0.40%	154	15.8%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan ("Plan") details the Borough's Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as the Borough's Fourth Round Present Need. It should be noted that the Borough has no Fourth Round Present Need.

This Plan proposes mechanisms by which the Borough can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

CURRENT STANDARDS

The below section details the current key standards applicable to the Borough's Fourth Round obligation including the various categories of credits.

Age-Restricted Housing

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

Transitional Housing

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations.

Veterans Housing

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

Families with Children

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

Rental Units

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

Very-Low Income Requirement

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant

to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

Low/Moderate Income Split

At least 50% of the units addressing the Borough's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

Affordability Controls

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

Affirmative Marketing

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

Uniform Housing Affordability Controls (UHAC)

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

Unit Adaptability

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

Bonus Credits

Bonus credits shall not exceed 25% of a municipality's prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. ¹	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality's affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. ²	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. ³	1	1

¹ The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

² This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

³ A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

HIGHLANDS BOROUGH AFFORDABLE HOUSING OBLIGATIONS

The Borough's affordable housing obligations are as follows:

Highlands Borough Obligation	
Rehabilitation Share	0
Prior Round Obligation (1987-1999)	20
Third Round Obligation (1999-2025)	72
Fourth Round (2025-2035) Prospective Need Obligation	30

REVIEW OF PRIOR ROUND COMPLIANCE

As part of any Housing Element and Fair Share Plan, a municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds of affordable housing obligations as established by prior Court approval or approval by COAH and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its previous round obligations. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the Court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

Prior Round Compliance (1987-1999)

The Borough had a Prior Round obligation of 20 units. Per the Court-approved Third Round Settlement Agreement and the Borough's Third Round JOR, Highlands met their Prior Round obligation through the following mechanisms:

Ptak Towers

Ptak Towers, located at 215 Shore Drive, is managed by the Highlands Housing Authority, and was completed on April 16, 1985. The development was first occupied on April 30, 1986, and includes 95 age-restricted low-income rental units. Of these 95 units, 5 units are applied toward the Borough's Prior Round obligation, since not more than 25% of the need may be met through age-restricted units.

See Appendix E for documentation pertaining to the Ptak Towers.

Monmouth Highlands Apartments

Monmouth Highlands Apartments, located at 37 Navesink Avenue, is managed by the Affordable Housing Alliance (AHA). This development was deed restricted as affordable by the Resolution Trust Corporation at the time the property was purchased by the Monmouth Housing Alliance (see deed in Appendices)

Of the 16 family rental units, 10 were not originally deed restricted for affordable housing. The 6 deed restricted units were applied to the Prior Round.

As stated in the executed Settlement Agreement, the Borough entered into an agreement with AHA to provide 30-year deed restrictions on the 10 original non-deed restricted units. Four (4) of these units count towards the Borough's Prior Round obligation.

The contract provided that upon turnover of each of the original 10 non-deed restricted units, the units will be affirmatively marketed and price restricted according to UHAC (including 2 very low, 3 low, and 5 moderate income units). This has successfully occurred regarding the original 10 non deed restricted units.

See Appendix F for documentation pertaining to the Monmouth Highlands Apartments.

Summary of Prior Round Obligation

The Borough fully addressed its 20-unit Prior Round obligation as follows:

Prior Round Obligation	20
Ptak Towers	5 units
Monmouth Highlands Apartments (existing deed restricted units)	6 units
Monmouth Highlands Apartments (non deed restricted)	4 units
Rental Bonus Credits	5 credits
Total	20 Credits

Third Round Compliance

The Borough had a Third Round obligation of 72 units. As part of its Third Round compliance process, the Borough received a Vacant Land Adjustment in 2018 due to its lack of vacant and developable land (the

“2018 VLA”). Based on the approved 2018 VLA, the Borough received a Realistic Development Potential (RDP) of 10 units and an Unmet Need of 62 units.

Per the Court-approved Third Round settlement agreement and the Borough’s Third Round JOR, Highlands met its Third Round RDP and unmet need obligation through the following mechanisms:

Ptak Towers

Two (2) units from the existing Ptak Towers development counted toward the Borough’s Third Round RDP obligation.

Monmouth Highlands Apartments

The remaining six (6) units that were deed restricted were applied to the Borough’s RDP. The Borough further applied 2 rental bonus credits from this development to meet its 10-unit RDP.

Third Round Obligation/RDP	
Ptak Towers	2 units
Monmouth Highlands Apartments	6 units
Rental Bonus Credits	2 credits
Total	10 Credits

Addressing the Third Round Unmet Need

According to the FSHC Settlement Agreement, the Borough had an unmet need of 62 units. The Borough addressed its unmet need of 62 by utilizing the following mechanisms:

Ptak Towers

Fifteen (15) units from the existing Ptak Towers development count toward Borough’s unmet need.

Shadowlawn Redevelopment Plan

The Borough Council adopted the Shadowlawn Redevelopment Plan on December 19, 2018 (See Appendix G). The Redevelopment Area is approximately 13.1 acres in size.

The site was previously the location of a mobile home park. Subsequent to the 2019 Settlement Agreement, the site was cleared and is vacant.

The Redevelopment Plan permits a variety of uses including single-and two-family dwellings, townhouses, multifamily dwellings, public parks and municipal facilities, and commercial uses which include retail sales and services, restaurants, and professional, administrative, and business offices.

The Plan permits a maximum density of 30 units per gross acre, or a total of 390 units. In addition, the executed Settlement Agreement requires an affordable housing set aside of 15%. The affordable units are

required to be developed on the site as family rental units. The affordable family rental units are further required to be, at a minimum, 50% as low-income units including 13% as very low-income units. All affordable units shall otherwise be in compliance with UHAC, pursuant to N.J.A.C. 5:93-5.6, and the terms of the FSHC Settlement Agreement. (See Appendix A).

The Borough has vigorously pursued the redevelopment of the site since including it in its Housing Element and Fair Share Plan. Those efforts culminated in the selection of a redeveloper in December 2024. At that time, the Borough designated Scenic Highlands Owner, LLC. (KRE) as the redeveloper of the site (See Appendix H). The Borough has been meeting with the redeveloper in order to move the project forward. The redeveloper has been proceeding with its due diligence and has recently prepared a concept plan. The concept plan proposes a total of 292 units of which 15% or 44 units will be affordable. The redeveloper will comply with all the requirements associated with affordable housing standards in the Redevelopment Plan.

The site is appropriate for multi-family low- and moderate-income housing as it is available, approvable, developable, and suitable:

- *Available:* The site has no easements or title issues preventing its development.
- *Suitable:* The site is almost entirely surrounded by residential uses, with single-family residential zones to the north and east, and a multi-family residential zone to the west. Its development is consistent with the goals and strategies outlined in the State Plan. The site is located within the Metropolitan Planning Area (PA 1). Further, the site's proximity to State Route 36/ Navesink Avenue offers access to employment and service establishments.
- *Developable:* The site falls within a drinking water purveyor service area, is within a sewer service area, and has access to appropriate public streets with frontage on Scenic Drive. The site is not constrained by wetlands or any special flood hazard areas.
- *Approvable:* The Borough Council adopted the Shadowlawn Redevelopment Plan on December 19, 2018, which permits up to 390 units with a mandatory 15% affordable family rental set-aside.

Mandatory Set-Aside Ordinance

The Borough adopted a Mandatory Set-Aside Ordinance (MSO) for all new multi-family residential development of 5 units or more to provide a 15% set aside for rental developments and a 20% set aside for for-sale developments. The mandatory set aside ordinance was adopted on October 16, 2019 (Ordinance No. O-19-17) as part of the Borough's Third Round Settlement Agreement and JOR (See Appendix I).

All affordable units developed through the MSO are subject to UHAC regulations.

The MSO does not give any developer the right to any such rezoning, variance, redevelopment designation or other relief, or establish any obligation on the part of Borough of Highlands to grant such rezoning, variance, redevelopment designation or other relief.

Development Fee Ordinance

A Development Fee Ordinance was adopted by the Borough on October 16, 2019 (Ordinance No. O-19-17) (Appendix I).

As detailed, the Borough has fully addressed its Third Round Unmet Need.

Third Round Unmet Need	
Ptak Towers	15 units
Shadowlawn Redevelopment Plan	32 units
Rental bonus credits	15 credits
Mandatory Set-Aside Ordinance	-
Total	62 Credits

FOURTH ROUND PRESENT NEED / REHABILITATION OBLIGATION

As previously noted, the Borough has a 0-unit Fourth Round Rehabilitation Obligation.

FOURTH ROUND PROSPECTIVE NEED OBLIGATION

On October 18, 2024, the New Jersey Department of Community Affairs (“DCA”) released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State’s municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2. On January 15, 2025, the Borough adopted Resolution #25-045 accepting their Fourth Round DCA calculated rehabilitation obligation of 0 and the Prospective Need obligation of 30 (Appendix C).

Vacant Land Adjustment

Municipalities can request an adjustment to their obligation based on the determination that there is not sufficient vacant or developable land within the municipality. As permitted by N.J.A.C. 5:93-4 and the Fair Housing Act, a municipality can submit a Vacant Land Adjustment (VLA) that examines the amount of parcels available for development. The end result of the Vacant Land Adjustment is the determination of the Borough’s Realistic Development Potential (RDP) for new affordable housing units. After subtracting out the RDP from the obligation, the remaining calculation is known as the “unmet need.”

The Borough’s 2019 Housing Element and Fair Share Plan included a VLA, which was prepared in accordance with N.J.A.C. 5:93-4.2, and utilized data through October of 2018. The 2018 VLA for the Borough was accepted by the Court.

Since the Borough lacked sufficient land to satisfy its Round 3 obligation, it lacks sufficient land to satisfy the additional 30 unit obligation for Round 4. Moreover, there have been no changed circumstances since the Court entered a Judgment of Repose approving the Borough's RDP on May 22, 2020.

It should be noted that the amended FHA permits a municipality to rely on COAH regulations that are not inconsistent with the amended FHA or a binding Court decision. The following COAH regulation is relevant:

N.J.AC.5:97-5.1(d): A vacant land adjustment that was granted as part of a first round certification or judgment of compliance shall continue to be valid provided the municipality has implemented all of the terms of the substantive certification or judgment of compliance, and received or petitioned to the Council for second round substantive certification or was under the Court's jurisdiction for second round. If the municipality failed to implement the terms of the substantive certification or judgment of compliance, the Council may reevaluate the vacant land adjustment.

In conclusion, due to the lack of developable land, the Borough has an RDP of 0 for the Fourth Round Prospective Need obligation.

The Borough's Rehabilitation Share, Prior Round Obligation, Third Round Obligation, and Fourth Round Prospective Need Obligations are detailed as follows:

Highlands Borough Obligation	
Rehabilitation Share	0
Prior Round Obligation (1987-1999)	20
Third Round Obligation (1999-2025)	72
RDP	10
Unmet Need	62
Fourth Round (2025-2035) Prospective Need Obligation	30
RDP	0
Unmet Need	30

Below outlines how the Borough will address its Fourth Round Unmet Need.

Third Round Credits Carried Over

Ptak Towers

The existing senior housing development includes 95 units. Nine (9) units from the Ptak Towers development carry over and count toward Borough's Fourth Round Unmet Need.

Proposed Inclusionary Development

Shadowlawn Redevelopment Plan

Twelve (12) credits from the Shadowlawn Redevelopment Plan Area count toward Borough's Unmet Need.

The site is appropriate for multi-family low- and moderate-income housing as it is available, approvable, developable, and suitable, as detailed in the Third Round Compliance section.

Amended Central Business District (CBD) Redevelopment Plan

The Borough Council adopted the Amended Central Business District (CBD) Redevelopment Plan on September 18, 2024 (see Appendix J). The Redevelopment Plan requires that:

- "The mandatory set-aside requirements in Section 26-2 of the Borough of Highlands Affordable Housing Ordinance apply to any multifamily residential development of five (5) dwelling units or more, including the residential portion of a mixed-use project. Any affordable housing obligation shall be addressed in the Redevelopment Agreement".

The CBD Redevelopment Plan Area is appropriate for multi-family low- and moderate-income housing as it is available, approvable, developable, and suitable:

- *Available:* The Area has no easements or title issues preventing its development.
- *Suitable:* The development is consistent with planning goals and strategies outlined in the State Plan, primarily as it orients new construction within a Metropolitan Planning Area (PA1). Further, the Redevelopment Plan's overall vision to create a "vibrant, walkable downtown along Bay Avenue" supports a central housing strategy outlined in the 2001 State Plan, to "create and maintain housing...at locations easily accessible, preferably on foot, to employment, retail, services, cultural, civic, and recreational opportunities."
- *Developable:* The Area falls within a drinking water purveyor service area, is within a sewer service area, and has access to appropriate public streets with primary frontage on Bay Avenue, the downtown spine. The site is not constrained by wetlands. It is constrained by the 100 year floodplain which is addressed in detail in the Redevelopment Plan and complies with FEMA standards
- *Approvable:* The Borough Council adopted the Amended CBD Redevelopment Plan on September 18, 2024, which requires the mandatory set-aside requirements outlined in Section 26-2 of the Borough Affordable Housing Ordinance (i.e., a set-aside rate of 20% for for-sale units and a rate of 15% for rental units) with any multifamily residential development of five (5) or more units.

Additional Affordable Housing Resolutions

The Borough adopted several additional affordable housing resolutions on October 16, 2019 (Appendix K). These include:

- Resolution #19-263 – Adopting an Affirmative Marketing Plan
- Resolution #25-124 – Appointing Heyer, Gruel & Associates as the Borough’s Administrative Agent for the Year 2025
- Resolution #25-125 – Appointing the Borough Administrator as the Designated Municipal Housing Liaison for the Year 2025

Fourth Round Summary

Fourth Round Obligation	
RDP	0
Unmet Need	30
Ptak Towers	9 units
Shadowlawn Redevelopment Plan	12 units
CBD Redevelopment Area	-
Mandatory Set-Aside Ordinance	-
Development Fee Ordinance	-
Bonus Credits	7 credits

CONSISTENCY WITH STATE PLANNING REQUIREMENTS

State Plan

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

New Jersey adopted its last SDPR in 2001. A draft amendment to the SDRP was prepared in 2011 but ultimately never adopted. The Office of Planning Advocacy released a new draft SDRP on December 4, 2024. The State is currently going through the Plan conformance process.

Objectives for Metropolitan Planning Areas (PA1), the primary land designation assigned to the Borough of Highlands, from the adopted 2001 State Plan are outlined below:

- Provide for much of the state’s future redevelopment
- Revitalize cities and towns
- Promote growth in compact forms

- Stabilize older suburbs
- Redesign areas of sprawl
- Protect the character of existing stable communities

Land use planning within Highlands is consistent with the PA1 objectives, as development continues to occur within the Borough. The recent amendments to the CBD Redevelopment Plan concentrate sustainable and pedestrian-friendly upgrades to an area of existing infrastructure. Further, the Plan seek to maintain the character of the Borough as a waterfront community with neighborhood commercial and recreational assets.

Multigenerational Family Housing

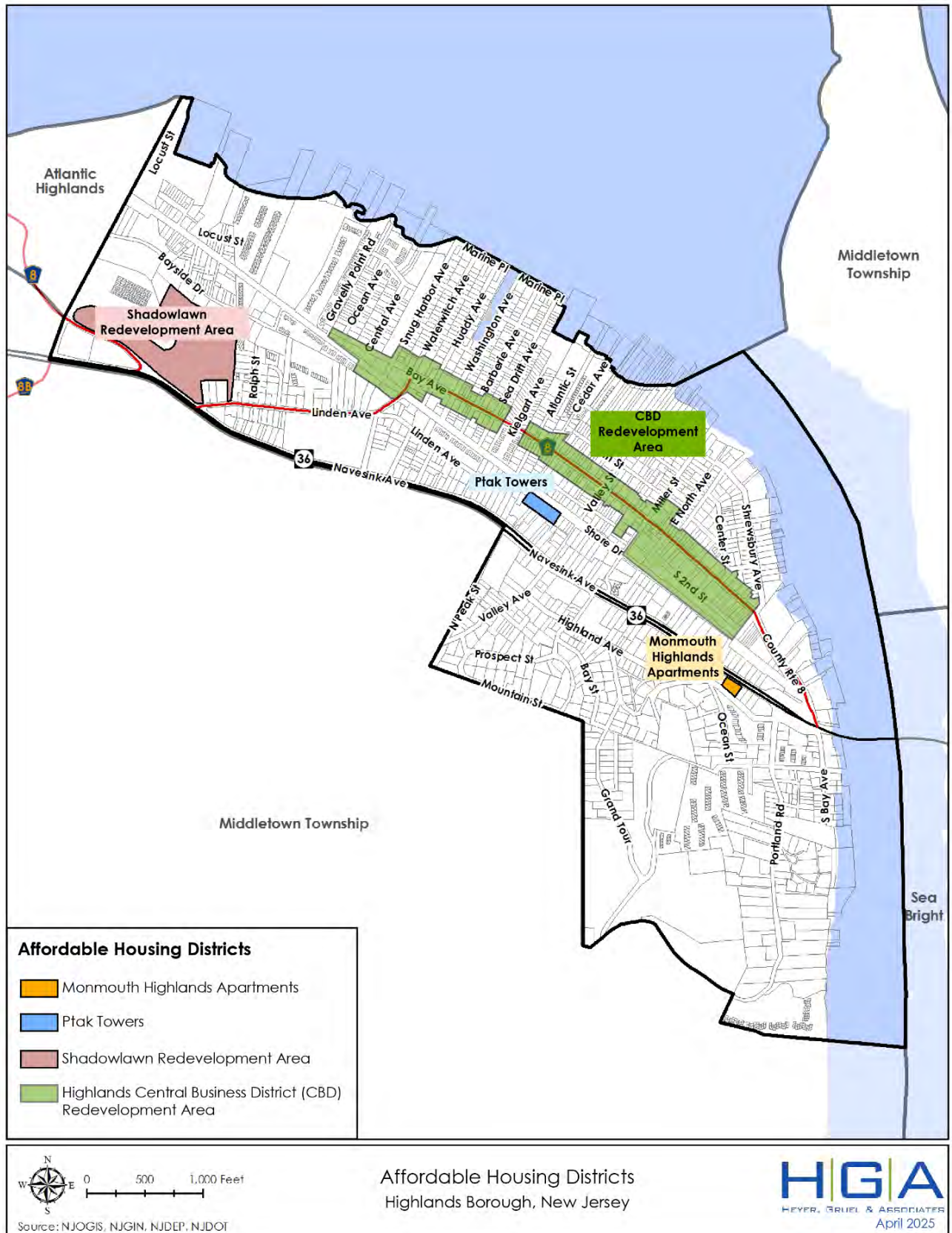
An amendment to the Fair Housing Act requires “an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20).” As of the date of this Housing Plan, there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

USE OF SURPLUS CREDITS

Any surplus credits generated would be applied to any future obligation that the Borough may have.

SUMMARY OF FAIR SHARE COMPLIANCE

<i>Present Need Total</i>	0
Prior Round Obligation (1987-1999)	20
Ptak Towers	5
Monmouth Highlands Apartments	10
Rental Bonus Credits	5
<i>Prior Round Total</i>	20
Third Round Obligation - RDP	10
Ptak Towers	2
Monmouth Highlands Apartments	6
Rental Bonus Credit	2
<i>Third Round Obligation - RDP</i>	10
Third Round Obligation – Unmet Need	62
Ptak Towers	15
Shadowlawn Redevelopment Plan	32
Rental Bonus Credits	15
Mandatory Set-Aside Ordinance	-
<i>Third Round Need Total</i>	62
Fourth Round Obligation - RDP	0
Fourth Round Obligation – Unmet Need	30
Ptak Towers	9
Shadowlawn Redevelopment Plan	12
CBD Redevelopment Area	-
Development Fee Ordinance	-
Mandatory Set-Aside Ordinance	-
Bonus Credits	7



APPENDIX A

**EXECUTED SETTLEMENT AGREEMENT BETWEEN THE BOROUGH OF
HIGHLANDS AND THE FAIR SHARE HOUSING CENTER
DATED JUNE 19, 2019**

June 19, 2019

Andrew Bayer, Esq.
Pashman Stein Walder Hayden P.C.
Bell Works
101 Crawfords Corner Road
Holmdel, NJ 07733-1985

**Re: In the Matter of the Application of the Borough of Highlands, County
of Monmouth, Docket No. MON-L-0012-17**

Dear Mr. Bayer:

This letter memorializes the terms of an agreement reached between the Borough of Highlands (the Borough or "Highlands"), 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

Highlands filed the above-captioned matter on January 18, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. Through the declaratory judgment process, the Borough and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Borough and FSHC hereby agree to the following terms:

1. FSHC agrees that the Borough, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. FSHC and the Borough hereby agree that Highlands' affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	65
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	20
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this Agreement)	72

4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Borough's efforts to meet its present need include the following: the Borough will participate in the Monmouth County Rehab Program and/or set up its own municipal rehabilitation program; the Borough either through the County Rehab Program or a municipal rehabilitation program will include a rental rehabilitation program. The Borough will provide further details and program manuals for the rehabilitation program as part of its Housing Element and Fair Share Plan and associated documents prior to the final compliance hearing. This is sufficient to satisfy the Borough's present need obligation of 65 units.
6. As noted above, the Borough has a Prior Round prospective need of 20 units, which is met through the following compliance mechanisms:
 - Ptak Tower (Maximum 25% of need may be met through age restricted units): 5 units
 - Monmouth Highlands Apartments existing deed-restricted units: 6 units
 - Monmouth Highlands Apartments market-to-affordable (described further in paragraph 9): 4 of 10 total units
 - Rental Bonus Credits: 5
7. The municipality, as calculated in Exh. A, has a realistic development potential (RDP) of 0 units from vacant land. The parties agree that there is an additional RDP of 10 units resulting from the 49-unit development that occurred on Block 101, Lot 27 and 30 and Block 102, Lots 8 and 9 with no affordable set-aside. That 10-unit RDP will be satisfied through the following mechanisms:
 - Ptak Towers – 2 units
 - Monmouth Highlands Apartments market-to-affordable (described further in paragraph 9) – 6 of 10 total units
 - Rental bonus – 2 units

The RDP of 10, subtracted from the Third Round obligation of 72 units, results in an unmet need of 62 units, which shall be addressed through the following mechanisms:

o 15 additional credits from Ptak Towers

o Shadowlawn Redevelopment Area 13 acres @ 30 DU/gross acre = 390 units @ 15%

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, May 2016.

set aside. The Shadow Lawn site contains an existing mobile home park. The Borough has represented through information provided by Shadow Lawn that the majority of the park sites are vacant and approximately 70 percent of the remaining tenants have signed agreements surrendering their tenancy rights in exchange for lump sum payments, leaving approximately 15 tenants and/or unit owners residing at the site who have not signed such agreement. FSHC takes no position as to whether the eviction or other removal of any person currently residing at the Shadow Lawn Mobile Home Park is permissible under applicable legal standards and reserves all rights to take any position it wishes on that issue in the future. The parties agree that this agreement shall not serve as a basis to justify the eviction or removal of any resident from the site.

This agreement solely provides that if the redevelopment of the park does occur, it shall occur in accordance with the Redevelopment Plan adopted by the Borough dated October 16, 2018 which permits 30 units/acre on the site, or a total of 390 units, and the Borough shall require an affordable housing set-aside of 15% of the total units developed on the site as family rental units including a minimum of 50% low-income units including 13% very low income units and otherwise in compliance with UHAC, standard inclusionary development phasing requirements pursuant to N.J.A.C. 5:93-5.6, and the terms of this agreement. If the eviction or other removal of any person currently residing at the Shadow Lawn Mobile Home Park is deemed impermissible by a court or in any other manner that prevents the redevelopment of the site, the Borough and Fair Share agree within 150 days of the Borough becoming aware of any such determination to negotiate in good faith a modification to the Settlement Agreement to determine an appropriate replacement for the Shadow Lawn project subject to approval by the court.

The Borough shall adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more. The set aside for rental developments shall be fifteen percent (15%) and the set aside for for-sale developments shall be twenty percent (20%). The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more. The form of the Ordinance shall be finalized prior to final judgment being issued in this matter through collaboration between FSHC, the Special Master, and representatives of the Borough.

8. The Borough will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

Prior to final judgment being entered in this matter, the Borough shall enter into a contract with the Affordable Housing Alliance, the owner of Monmouth Highlands Apartments, providing for the deed-restriction of the 10 currently non-deed-restricted units there as affordable housing. The contract shall provide that upon the next turnover of each of the 10 units, the units will be affirmatively marketed and price restricted according to UHAC (including 2 very low, 3 low, and 5 moderate income units) and from the point of occupancy of a new tenant after affirmative marketing a deed restriction will run for a period of 30 years and thereafter until terminated by the municipality in accordance with UHAC.

In accordance with N.J.A.C. 5:93-5.5, the Borough recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary

affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Borough will meet this obligation as part of its Housing Element and Fair Share Plan in conjunction with the contract provided for in the preceding paragraph with the Affordable Housing Alliance.

9. The Borough 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:
 - 2 of the market to affordable units at Monmouth Highlands Apartments will be affordable to very low income households.
 - 13 percent of the affordable units to be developed as part of the Shadow Lawn site shall be very low income.
 - 13 percent of any affordable units developed through the Borough-wide affordable housing set-aside ordinance.
10. The Borough shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 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 Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
 - e. The Borough 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.
11. The Borough 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, the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch Branches of the NAACP, and the Supportive Housing Association, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The

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

12. 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 such projects shall be required to be at 30 percent of median income, and all other applicable law. The Borough 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 Borough 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 region that the Borough is located within (i.e. Region 4) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Borough'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 B 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 Borough 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 Borough 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.

13. 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.
14. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Borough shall introduce and adopt an ordinance or ordinances providing for the amendment of the Borough's Affordable Housing Ordinance, the adoption of an updated Development Fee Ordinance, and the adoption of a Borough-wide affordable housing set-aside ordinance to implement the terms of this Agreement and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
15. The parties agree that if a decision of a court of competent jurisdiction in Monmouth County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Borough for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Borough's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Borough prevails in reducing its prospective need for the Third Round, the Borough may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
16. The Borough shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Borough, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Borough 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.

17. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Borough 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.
18. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in this Agreement. The Borough 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 Borough 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 Borough 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.
19. 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.
20. 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 Borough 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.

21. The Borough agrees to pay FSHC's attorneys fees and costs in the amount of \$7,500 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
22. 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.
23. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Monmouth County. A prevailing movant or plaintiff in such a motion or separate action shall be entitled to reasonable attorney's fees.
24. 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.
25. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
26. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
27. 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.
28. 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.
29. 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.
30. 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.

31. 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.
32. No member, official or employee of the Borough 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.
33. 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.
34. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

TO THE BOROUGH:

Andrew Bayer, Esq.
Pashman Stein Walder Hayden P.C.
Bell Works
101 Crawfords Corner Road
Holmdel, NJ 077331985

Telecopier: (732) 852-2482
Email: abayer@pashmanstein.com

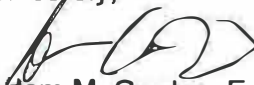
**WITH A COPY TO THE
MUNICIPAL CLERK:**

Bonnie Brookes, Municipal Clerk
42 Shore Drive
Highlands, NJ 07732

Telecopier: 732-872-0670
Email: BBrookes@highlandsborough.org

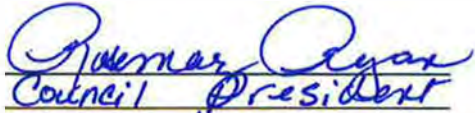
Please sign below if these terms are acceptable.

Sincerely,



Adam M. Gordon, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Borough of Highlands, with the authorization
of the governing body:


Guernsey Ryan
Council President

Dated: 6/25/19



BONNIE BROOKES, CLERK
6/25/19

EXHIBIT A: VACANT LAND ADJUSTMENT

**Borough of Highlands
Vacant Land Assessment
October 2018**

Introduction

A Vacant Land Assessment was prepared in accordance to the rules as prescribed in N.J.A.C. 5:93-4 for the Borough of Highlands. The VLA incorporates data from the 2012 Land Use Land Cover released by NJDEP, 2018 floodplain data released by FEMA¹, a 300-foot buffer for Category 1 waterways, slopes in excess of 20%, and 2018 Tax Assessment Records. The VLA recognizes one (1) site capable of supporting development within the Borough.

Analysis

The VLA analyzes potential affordable housing opportunities area on publicly- and privately-owned vacant parcels located within the Borough. Initially, all oversized parcels, privately-owned vacant parcels and tax-exempt properties within the Borough were analyzed. Many of these parcels, particularly those with property class 15A- public schools, 15C- public property, 15D- church and charitable, and 15F- other exempt are currently developed and excluded from the analysis. Only vacant tax-exempt properties were included in the analysis.

217 vacant parcels were analyzed in the Borough. Of these 217 parcels, 155 parcels were listed as property class 1- vacant, 46 were listed as 15C- public, 2 were listed as class 15E- cemeteries & graveyards, and 14 were listed as class 15F- Other Exempt.

The parcels were also analyzed within the context of the State Development and Redevelopment Plan. The majority of the parcels (207 parcels) that were analyzed are located within Planning Area 1: Metropolitan. The remaining 10 parcels included in this Vacant Land Assessment are located within the Country Parks or State Parks designations.

A conservative approach was utilized when examining the environmental constraints within the Borough. Areas constrained by wetlands, surface water, slopes in excess of 20%, FEMA's VE Zone, and land that falls within 300-feet of the Shrewsbury River south of the route 36 bridge, which is classified by NJDEP as a Category 1 waterway, were subtracted from the site's total acreage, which yields an unconstrained acreage. There are approximately 31.7 acres of environmentally constrained acres across the 217 parcels analyzed.

Per N.J.A.C. 5:93-4, sites that have less than one-half acre of unconstrained acreage are deemed undevelopable.

¹ Because a significant portion of the Borough is located within FEMA's 100-year floodplain AE Zone, only the VE Zone, also known as the velocity wave action zone, was considered as an environmental constraint for this vacant land assessment.

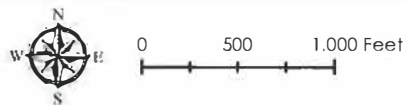
Results

The following sites were identified as being vacant and potentially developable. The site's RDP has been adjusted to represent an affordable housing set aside of 20%.

Borough of Highlands Vacant Land Assessment								
Site ID	Block	Lot	Total Acreage	Constrained Acreage	Unconstrained Acreage	Density	Total Units	RDP
1	105	2	0.4	0.2	0.2	6.0	4	0
	105	4	0.6	0.2	0.4			
TOTAL			1.0	0.4	0.6	-	4	0

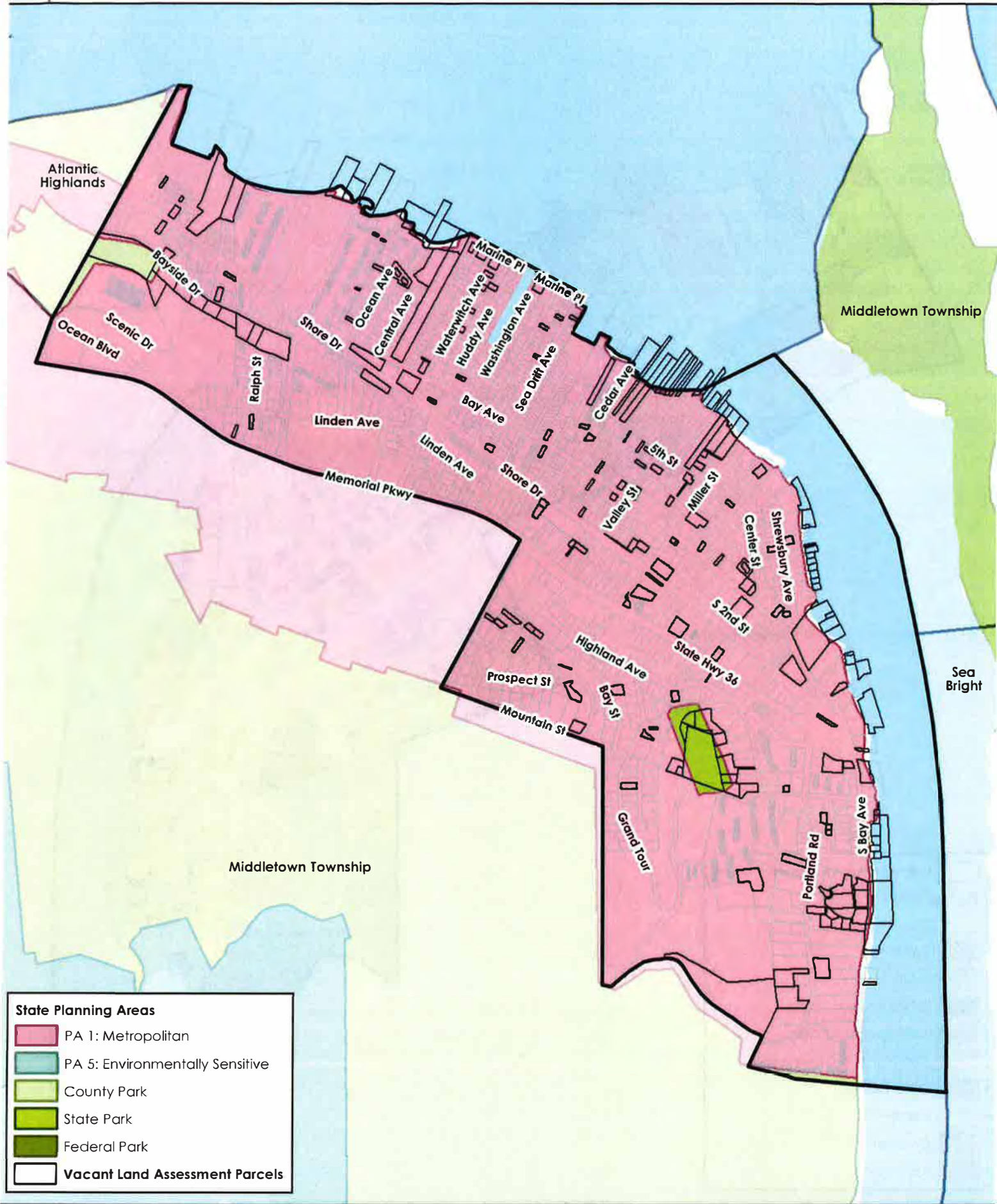
Conclusion

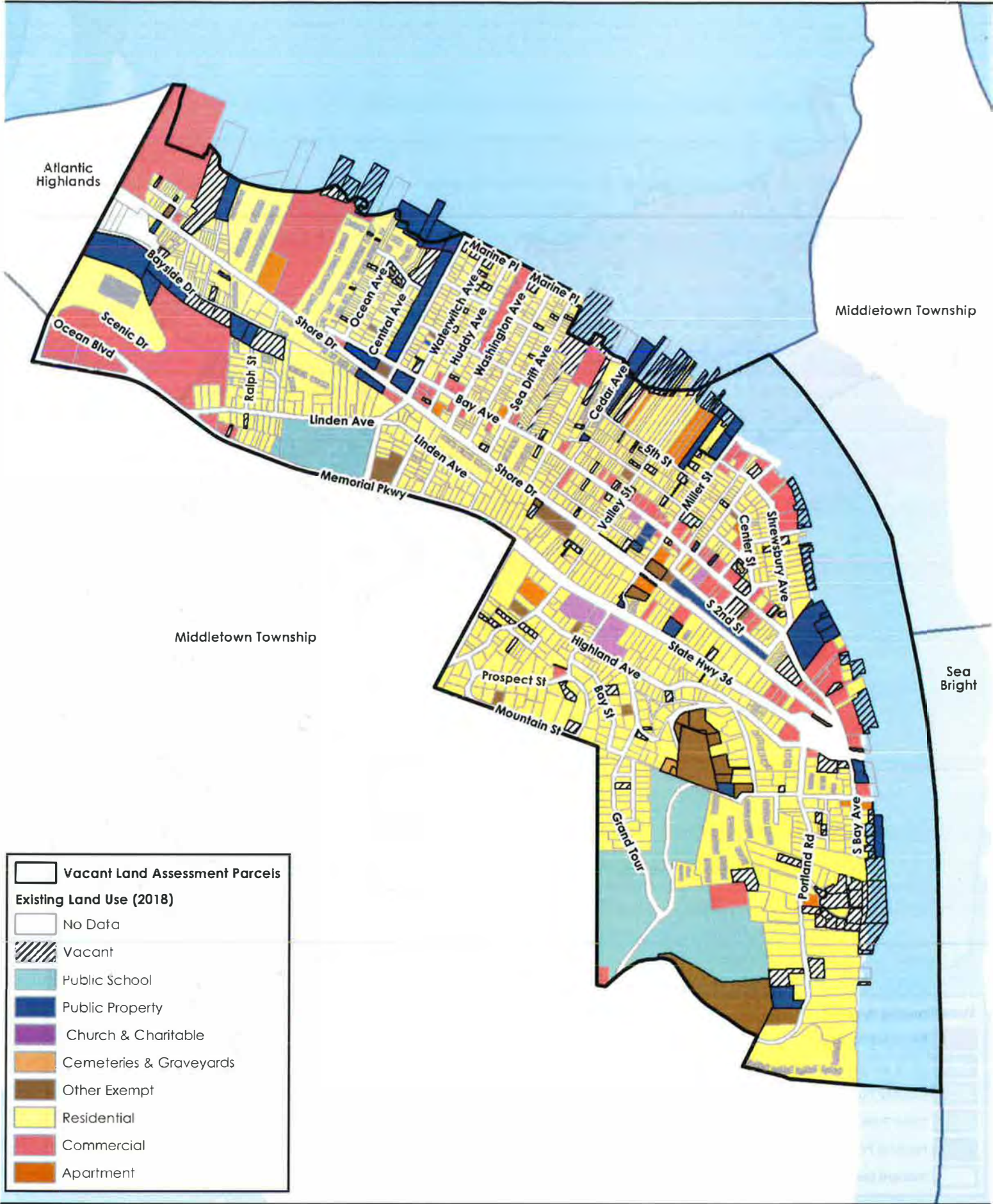
Due to limitations from environmental constraints and lack of vacant land, the Borough of Highlands has an RDP of 0 units.



Source: NJGIS, NJGIN, NJDEP, NJDOT

2017 Aerial
Borough of Highlands, New Jersey





Vacant Land Assessment Parcels

Existing Land Use (2018)

No Data

Vacant

Public School

Public Property

Church & Charitable

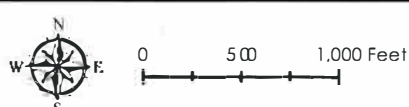
Cemeteries & Graveyards

Other Exempt

Residential

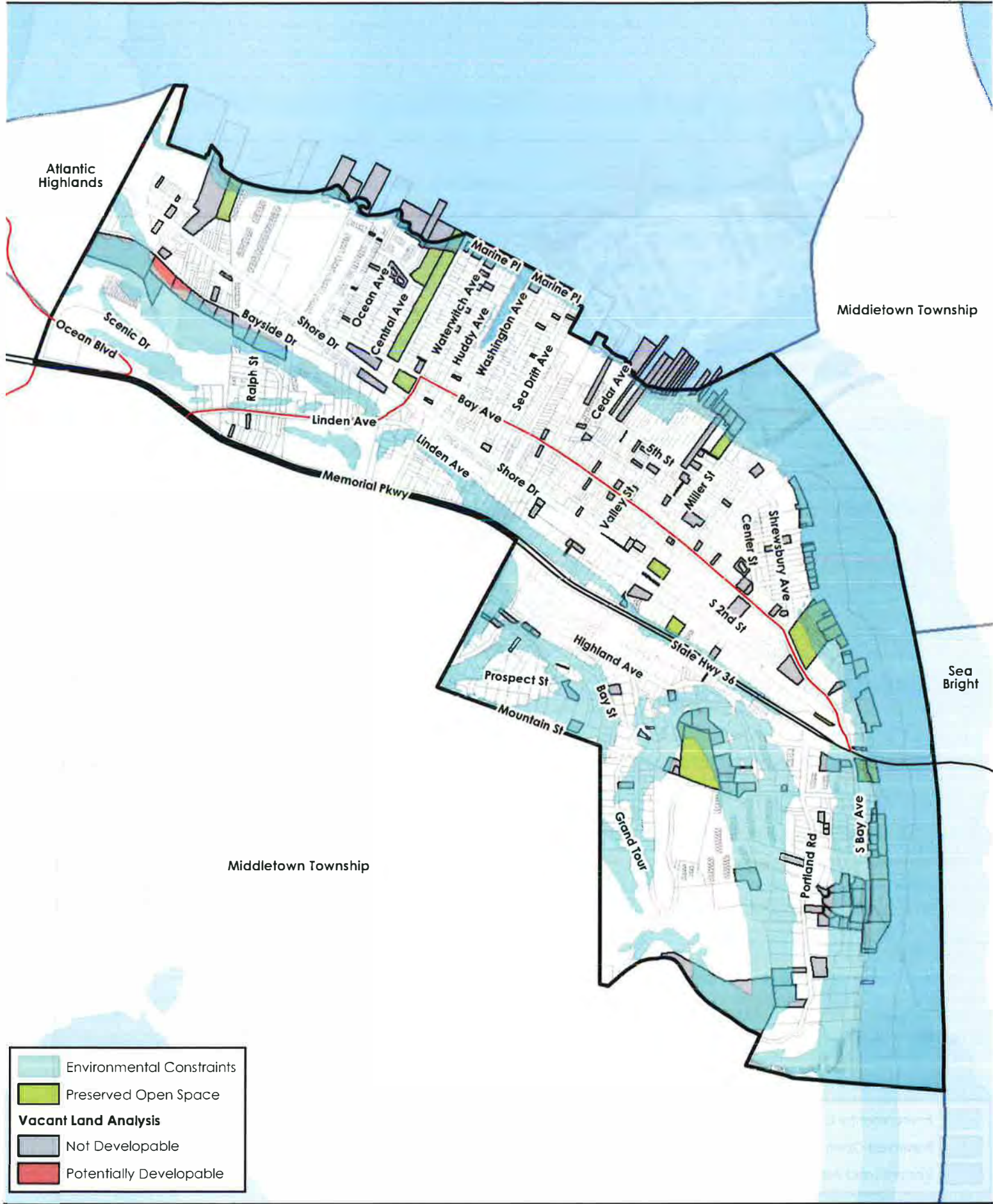
Commercial

Apartment



Source: NJGIS, NJGIN, NJDEP, NJDOT

Environmental Constraints Borough of Highlands, New Jersey



Environmental Constraints

Preserved Open Space

Vacant Land Analysis

Not Developable

Potentially Developable

0 500 1,000 Feet

Source: NJGIS, NJGIN, NJDEP, NJDOT

Vacant Land Analysis
Borough of Highlands, New Jersey

EXHIBIT B: 2018 INCOME LIMITS

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 2018

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

		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***		Regional Asset Limit****
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	2.2%	5.52%	\$175,679
	Moderate	\$50,878	\$54,512	\$58,146	\$65,414	\$72,682	\$75,589	\$78,497	\$84,311	\$90,126	\$95,940			
	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	2.2%	1.22%	\$182,955
	Moderate	\$53,404	\$57,218	\$61,033	\$68,662	\$76,291	\$79,343	\$82,395	\$88,498	\$94,601	\$100,705			
	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 Hunterdon, Middlesex and Somerset	Median	\$75,530	\$80,925	\$86,320	\$97,110	\$107,900	\$112,216	\$116,532	\$125,164	\$133,796	\$142,428	2.2%	2.37%	\$205,458
	Moderate	\$60,424	\$64,740	\$69,056	\$77,688	\$86,320	\$89,773	\$93,226	\$100,131	\$107,037	\$113,942			
	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	2.2%	5.19%	\$186,616
	Moderate	\$55,557	\$59,526	\$63,494	\$71,431	\$79,368	\$82,542	\$85,717	\$92,066	\$98,416	\$104,765			
	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	2.2%	5.05%	\$161,977
	Moderate	\$48,944	\$52,440	\$55,936	\$62,928	\$69,920	\$72,717	\$75,514	\$81,107	\$86,701	\$92,294			
	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	2.2%	0.00%	\$136,680
	Moderate	\$40,868	\$43,787	\$46,706	\$52,545	\$58,383	\$60,718	\$63,054	\$67,724	\$72,395	\$77,066			
	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.

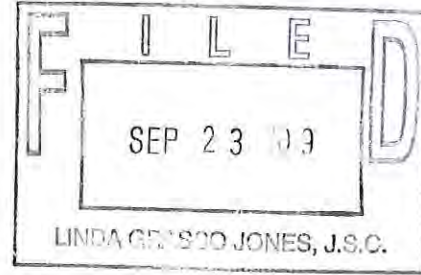
Low income tax credit developments may increase based on the low income tax credit regulations.

**** 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. 5:97-9.2(c)).

APPENDIX B
COURT ORDER APPROVING FAIR SHARE HOUSING CENTER SETTLEMENT
AGREEMENT
FILED SEPTEMBER 23, 2019

Pashman Stein Walder Hayden PC
By: Andrew Bayer, Esq. (033871988)
Bell Works
101 Crawfords Corner Road, Suite 4202
Holmdel, NJ 07733-1985
(732) 852-2481 (Phone)
(609) 852-2482 (Facsimile)
Attorneys for the Petitioner, Borough of Highlands



SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MONMOUTH COUNTY
DOCKET NO. MON-L-0012-17

IN THE MATTER OF
THE APPLICATION OF THE
BOROUGH OF HIGHLANDS,
COUNTY OF MONMOUTH

CIVIL ACTION
(Mt. Laurel)

**ORDER OF FAIRNESS AND
PRELIMINARY COMPLIANCE**

This matter having been opened to the court by Pashman Stein Walder Hayden PC (Andrew Bayer, Esq. appearing), attorneys for Petitioner Borough of Highlands (the "Borough" or "Highlands") via a Declaratory Judgment Complaint to have the Court determine the Borough's fair share affordable housing obligation and to permit the Borough time to adopt a compliance plan in response to In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015)) ("Mt. Laurel IV"); and the Court having appointed Michael Bolan, P.P. A.I.C.P as the Special Court Master; and Fair Share Housing Center ("FSHC") (Adam Gordon, Esq. appearing) having participated in the declaratory judgment action as an interested party; and the Borough and Fair Share Housing Center having entered into a Settlement Agreement dated June 19, 2019; and the Court having scheduled a Fairness and Preliminary Compliance Hearing (the "Fairness Hearing") on August 9, 2019 to consider approval of the Settlement Agreement, and to determine whether the settlement is fair, reasonable and adequately protects the interest of very low, low and moderate income

households; and the Borough having provided proper public and actual notice of the Fairness Hearing; and the Court Special Master, Michael P. Bolan, AICP, P.P. having issued a report to the Court dated August 5, 2019 recommending Court approval of the Settlement Agreement subject to certain terms and conditions; and the Court having conducted a Fairness Hearing on August 9, 2019 and having considered the testimony of Susan Gruel, P.P., AICP and Special Master Michael Bolan, AICP, P.P.; and the court having admitted into evidence the (1) Certification of Service as to the Notice of Compliance Hearing and the Court Order establishing the hearing as P-1; (2) Settlement Agreement by and between Borough of Highlands and Fair Share Housing Center dated June 19, 2019 as P-2; and the court having considered the testimony and the evidence submitted; the arguments of counsel; and for the reasons set forth on the record on August 9, 2019; and for good cause having been shown;

IT IS on this 23rd day of ^{September}~~August~~ 2019;

ORDERED:

1. The Settlement Agreement is fair, reasonable and adequately protects the interests of very low, low and moderate-income households, and the Court hereby approves the Settlement Agreement.
2. The Court finds that the Borough's proposed affordable housing strategy as set forth in the Settlement Agreement is facially constitutional compliant and provides a fair and reasonable opportunity for the Borough to meet its obligation under Mt. Laurel IV subject to the Borough's compliance with the conditions set forth herein.
3. In conformance with the Settlement Agreement, the Borough's Rehabilitation Obligation is 65 units; the Borough's Prior Round Obligation is 20 units; and the Borough's Third Round (1999-2025) Prospective Need obligation is 72 units.
4. The Court hereby approves the Borough's Vacant Land Assessment prepared by Heyer Gruel & Associates appended to the Settlement Agreement finding that the Borough's Realistic Development Potential ("RDP") for the Third Round (1999-2025) is zero (0); however the Court finds the Borough has an additional RDP of 10 units resulting from the 49-unit development that occurred in the Borough on Block 101, Lot 27 and 30 and Block 102, Lots 8 and 9 with no affordable housing set aside. The Borough satisfies its 10-unit RDP though the following

mechanisms:

- Ptak Towers-2 units;
 - Monmouth Highlands Apartments market to affordable program-6 units; and
 - Rental bonus credits-2 units.
5. The Borough meets its Prior Round Obligation of twenty units through the following mechanisms:
- PtakTower-5 units;
 - Monmouth Highlands Apartments existing deed restricted units-6 units
 - Monmouth Highlands Apartments market to affordable program-4 units
 - Rental bonus credits-5 units
6. The Borough shall address its Rehabilitation Obligation of 65 units through participating in the Monmouth County program or by hiring a separate entity to rehabilitate affordable housing units within the Borough.
7. The Borough has an unmet need of 62 units remaining for its Third Round Prospective Need obligation which it addresses as follows:
- Ptak Towers-15 credits; and
 - Shadowlawn Redevelopment Area-Up to 59 credits (15% of up to 390 units based upon a density of 30 dwelling units/gross acre at 13 acres)
8. The parties shall abide by all terms and conditions in the Settlement Agreement and those terms are referenced as if fully set forth at length herein.
9. The Borough shall take all necessary action to prepare, adopt and endorse a Housing Element and Fair Share Plan; adopt an ordinance requiring a mandatory affordable housing set aside for all new multifamily residential developments of five (5) units or more with a set aside for rental developments at fifteen percent (15%) and for-sale developments at (20%) percent; adopt a Spending Plan; and it will also satisfy the other conditions listed in the Court Master's August 5, 2019 report within one hundred twenty days (120) days of the date of this Order. The Borough shall submit the adopted and endorsed Housing Element and Fair Share Plan along with all other documentation set forth in the Settlement Agreement and required by the Court Master's August 5, 2019 report to the Court Master and

interested parties for final review and recommendation by the Court Master, and for consideration and approval by the Court.

10. The Court will conduct a Compliance Hearing on December 23, 2019 at 11:00 a.m. for the Court to consider approval of the Borough's Housing Element and Fair Share Plan and the issuance of a Judgment of Compliance and Repose which will provide the Borough immunity from all Mt. Laurel lawsuits through July 1, 2025.
11. The Borough is hereby awarded immunity from Mt. Laurel lawsuits until one month after the date the Final Compliance Hearing is held.
12. Notice for the Final Compliance Hearing shall be published by the Borough on or before November 22, 2019, in a newspaper of general circulation in Monmouth County, Ocean County and Mercer County.
13. Any objections to the Borough's adopted and endorsed Housing Element and Fair Share Plan must be filed in writing together with copies of any supporting affidavits or documents on or before December 2, 2019 with the Hon. Linda Grasso Jones, Superior Court of New Jersey, Monmouth County Courthouse, Post Office Box 1266, Freehold, New Jersey 07728, with duplicate copies forwarded by mail to counsel for Fair Share Housing Center, counsel for the Borough of Highlands, and Special Michael P. Bolan, P.P, AICP.
14. The Borough of Highlands shall file any reply to those objections on or before December 9, 2019.
15. The Special Master shall submit his report to the court no later than December 16, 2019 opining whether the Borough's Housing Element and Fair Share Plan creates a realistic opportunity to satisfy the Borough's fair share of the regional need for housing affordable to low and moderate- income housing.
16. Upon such a finding, the court shall issue a Judgment of Compliance and Repose or the judicial equivalent of substantive certification pursuant to the New Jersey Fair Housing Act; which, once entered, will maintain the Borough of Highlands's immunity from all Mount Laurel lawsuits through July 1, 2025. A Final Judgment of Compliance and Repose may issue without further hearing should the Special Master file a certification of compliance that all conditions of the settlement have been met and no written objection to the Special Master's certification is received.
17. Counsel for the Borough shall provide copies of this Order to all counsel of record, the Court Master and the Service List within seven (7) days of the date hereof.

/s/ Linda Grasso Jones, J.S.C.

Hon. Linda Grasso Jones, J.S.C.

APPENDIX C

**BOROUGH OF HIGHLANDS
RESOLUTION #25-045
FILED JANUARY 16, 2025**



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 25-045

RESOLUTION OF THE BOROUGH OF HIGHLANDS, COUNTY OF MONMOUTH, COMMITTING TO COMPLY WITH AFFORDABLE HOUSING OBLIGATIONS FOR ROUND 4

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) (hereinafter “Amended FHA”); and

WHEREAS, the Amended FHA requires the Department of Community Affairs (“DCA”) to produce non-binding estimates of fair share obligations on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 (“DCA Report”) wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report identifies the Borough’s Present Need, also referred to as its Rehabilitation Obligation, as 0 and its Round 4 Prospective Need as 30; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support lower calculations of Round 4 affordable housing obligations; and

WHEREAS, the Amended FHA further provides that “[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions” (N.J.S.A 52:27D-311 (m)); and

WHEREAS, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

WHEREAS, based on the foregoing, the Borough of Highlands accepts the DCA calculations of its fair share obligations and commits to its fair share of 0 units present need and 30 units prospective need for Round 4 subject to any vacant land and/or durational adjustments it may seek as part of the Housing Element and Fair Share Plan it submits by the June 30, 2025 deadline the Amended FHA establishes; and

WHEREAS, the Borough of Highlands reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, the Borough of Highlands also reserves the right to adjust its position in the event of any rulings in the Montvale case (MER-L-1778-24) or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, the Borough of Highlands reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, in light of the above, the Borough of Highlands finds that it is in the best interest of the Borough to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint in the county in which the municipality is located within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner” and

WHEREAS, the Borough of Highlands seeks a certification of compliance with the FHA and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution in Monmouth County and with the Program.

NOW, THEREFORE, BE IT RESOLVED on this 15th day of January, 2025 by the Borough of Highlands as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The Borough of Highlands hereby commits to the obligations the DCA reported on October 18, 2024, 0 units for the Present Need or rehab obligation and 30 for the Round 4 Prospective Need subject to all reservations of rights, which specifically include:
 - a. The right to a vacant land adjustment or a durational adjustment in accordance with COAH regulations;
 - b. The right to comply with the NJILGA Legislation or any other legislation that modifies its rights and obligations under current laws;

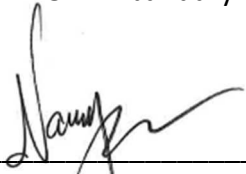
- c. The right to adjust its obligations based upon any ruling in the Montvale litigation or any other litigation; and
 - d. The right to adjust its obligations in the event of a third party challenge to the obligations of the Borough of Highlands and the Borough defends itself.
3. The Borough of Highlands hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint in Monmouth County within 48 hours after adoption of this resolution attaching this resolution.
 4. The Borough of Highlands authorizes its Affordable Housing Counsel to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.
 5. This resolution shall take effect immediately, according to law.

Motion to Approve R 25-045:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES			X			
CHELAK		X	X			
MELNYK			X			
OLSZEWSKI			X			
BROULLON	X		X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: January 15, 2025



 Nancy Tran, Municipal Clerk
 Borough of Highlands

APPENDIX D
ROUND FOUR DECLARATORY JUDGMENT COMPLAINT
(DOCKET NO. MON-L-000196-25)
FILED JANUARY 16, 2025

SURENIAN, EDWARDS, BUZAK & NOLAN LLC

311 Broadway, Suite A
Point Pleasant Beach, NJ 08742
(732) 612-3100

By: Jeffrey R. Surenian, JRS@Surenian.com; Attorney ID: 024231983
Michael C. Borneo, MCB@Surenian.com; Attorney ID: 006101999

Attorneys for Declaratory Plaintiff, Borough of Highlands

**IN THE MATTER OF THE
APPLICATION OF THE BOROUGH OF
HIGHLANDS, COUNTY OF
MONMOUTH, STATE OF NEW JERSEY**

**SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MONMOUTH COUNTY**

DOCKET NO.: MON-L-____

CIVIL ACTION
AFFORDABLE HOUSING
PER DIRECTIVE # 14-24

**COMPLAINT FOR DECLARATORY
RELIEF PURSUANT TO
DIRECTIVE# 14-24**

Declaratory Plaintiff, the Borough of Highlands, County of Monmouth, State of New Jersey (hereinafter, “Highlands” or the “Borough”), a municipal corporation of the State of New Jersey, with principal offices located at 151 Navesink Avenue, Highlands NJ 07732, by way of this Declaratory Judgment Action (“DJ Action”) as authorized under Directive # 14-24 of the Administrative Office of the Courts, alleges and says:

Background

- 1.** The Borough of Highlands is a municipal corporation of the State of New Jersey.
- 2.** The Planning Board of the Borough of Highlands (hereinafter, “Planning Board”) is a municipal agency created and organized under the Municipal Land Use Law, N.J.S.A. 40:55D-1 et. seq., (“MLUL”), and, among other duties and obligations, is responsible for adopting the Housing Element and Fair Share Plan (“HEFSP”) of Highlands’ Master Plan.

3. Through this declaratory judgment action (“DJ Action”), Highlands seeks the following relief in relation to its Fourth Round (2025-2035) affordable housing obligation: (a) to secure the jurisdiction of the Affordable Housing Alternative Dispute Resolution Program (the “Program”) pursuant to P.L. 2024, c.2 (hereinafter, the “Act”) and the Court, pursuant to Directive # 14-24; (b) to have the Program and the Court approve the Borough of Highlands’ Present and Prospective affordable housing obligations as set forth in the binding resolution adopted by the Borough, attached hereto as **Exhibit 1**; (c) to have the Program and the Court approve a HEFSP to be adopted by the Planning Board and endorsed by the Council and issue a conditional or unconditional “Compliance Certification” pursuant to the Act or other similar declaration; (d) to the extent it is not automatically granted pursuant to the Act, through the filing of this DJ Action and binding resolution, to have the Program and the Court confirm Highlands’ immunity from all exclusionary zoning litigation , including builder’s remedy lawsuits, during the pendency of the process outlined in the Act and for the duration of Fourth Round, i.e., through June 30, 2035; and (e) to have the Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Borough receive and obtain all protections as afforded to it in complying with the requirements of the Act, including, without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations voluntarily without having to endure the expense and burdens of unnecessary third party litigation.

COUNT I
ESTABLISHMENT OF JURISDICTION UNDER P.L.2024, C. 2

4. The Borough of Highlands repeats and realleges each and every allegation as set forth in the previous paragraphs of this DJ Action as if set forth herein in full.
5. The Act represents a major revision of the Fair Housing Act of 1985, N.J.S.A. 52:27D-301 *et seq.*

6. Among other things, the Act abolished the Council on Affordable Housing (hereinafter, “COAH”), and replaced it with seven retired, on recall judges designated as the Program. Among other things, the Act authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, “Director” and “AOC”) to create a framework to process applications for a compliance certification.
7. On or about December 13, 2024, the Director issued Directive # 14-24, which among other things, required municipalities seeking compliance certification to file an action in the form of a declaratory judgment complaint and Civil Case Information Statement in the County in which the municipality is located within 48 hours after the municipality’s adoption of a binding resolution as authorized under the Act and attach a copy of said binding resolution to the DJ Action.
8. Highlands adopted a binding resolution establishing its present and prospective affordable housing obligations within the statutory window of time set forth in the Act and in accordance with the methodology and formula set forth in the Act, a certified copy of which resolution is attached to this DJ Action as **Exhibit 1**.
9. Based on the foregoing, Highlands has established the jurisdiction of the Program and the Court in regard to this DJ Action for a compliance certification as set forth hereinafter.

WHEREFORE, the Borough of Highlands seeks a declaratory judgment for the following relief:

- a. Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;

- b.** Declaring the present and prospective affordable housing obligations of the Borough under the Act;
- c.** Declaring the approval of the Borough's HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Borough Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); and/or (iii) an adjustment predicated upon regional planning entity formulas, inputs or considerations, as applicable; (iv) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (v) an adjustment based upon any ruling in litigation involving affordable housing obligations; and (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- d.** Declaring that the Borough continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Borough of Highlands for the period beginning July 1, 2025 and ending June 30, 2035; and
- f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT II
**DETERMINATION OF THE PRESENT AND PROSPECTIVE NEED OF THE
 BOROUGH OF HIGHLANDS**

10. Highlands repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.
11. The Act adopted the methodology to calculate every municipality’s present and prospective need affordable housing obligation for the Fourth Round (2025-2035) and beyond.
12. The Act directed the Department of Community Affairs (“DCA”) to apply the methodology and to render a non-binding calculation of each municipality’s present and prospective affordable housing obligations to be contained in a report to be issued not later than October 20, 2024.
13. The DCA issued its report on October 18, 2024.
14. Pursuant to the October 18, 2024 report, the DCA calculated Highlands’ present and prospective affordable housing obligations as follows:

PRESENT NEED (REHABILITATION OBLIGATION)	FOURTH ROUND PROSPECTIVE NEED OBLIGATION (2025-2035)
0	30

15. Pursuant to the Act, a municipality desiring to participate in the Program is obligated to adopt a “binding resolution” determining its present and prospective affordable housing obligations to which it will commit based upon the methodology set forth in the Act.
16. Highlands adopted a binding resolution, a copy of which is attached hereto and made a part hereof as Exhibit 1 to this DJ Action.

17. The binding resolution maintains that the Present (“Rehabilitation”) Need obligation of Highlands is 0 and its Prospective Need obligation is 30.
18. Highlands seeks the approval of and confirmation by the Program and the Court of the Present and Prospective affordable housing obligations as set forth in the binding resolution attached hereto and made a part hereof as **Exhibit 1** or the adjustment of those obligations consistent with the Act and the applicable COAH regulations
19. Pursuant to the binding resolution, the Borough of Highlands reserves all rights to amend its affordable housing obligations in the event of a successful legal challenge, or legislative change, to the Act.
20. Pursuant to the binding resolution, Highlands specifically reserves the right to seek and obtain 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); 3) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 4) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 5) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

WHEREFORE, the Borough of Highlands seeks a declaratory judgment for the following relief:

- a. Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;

- b.** Declaring the present and prospective affordable housing obligations of Highlands under the Act;
- c.** Declaring the approval of Highlands' HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iii) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (iv) an adjustment based upon any ruling in litigation involving affordable housing obligations; and/or (v) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- d.** Declaring that the Borough continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e.** Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to Highlands for the period beginning July 1, 2025 and ending June 30, 2035; and
- f.** Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT III
HOUSING ELEMENT AND FAIR SHARE PLAN

21. The Borough of Highlands repeats and realleges each and every allegation set forth in the previous paragraphs of this DJ Action as if set forth herein in full.
22. Pursuant to the Act, a Housing Element and Fair Share Plan (hereinafter, (“HEFSP”) must be prepared adopted by the Planning Board and endorsed, by June 30, 2025.
23. Highlands hereby commits for its professionals to prepare the appropriate HEFSP to address its affordable housing obligations, as determined by the Program and the Court which HEFSP shall apply as appropriate, any applicable adjustments, including, without limitation, 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); 3) an adjustment based on any future legislation that may be adopted that allows an adjustment of the affordable housing obligations; 4) an adjustment based upon any ruling in litigation involving affordable housing obligations; and 5) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations.

WHEREFORE, the Borough of Highlands seeks a declaratory judgment for the following relief:

- a. Declaring that Highlands has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b. Declaring the present and prospective affordable housing obligations of Highlands under the Act;

- c. Declaring the approval of Highlands' HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iii) an adjustment based upon any ruling in litigation involving affordable housing obligations; and/or (vi) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;
- d. Declaring that the Borough of Highlands continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to the Borough of Highlands for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

COUNT IV **CONFIRMATION OF IMMUNITY**

- 24.** The Borough of Highlands repeats and realleges each and every allegation set forth in the previous paragraphs of this declaratory judgment complaint as if set forth herein in full.
- 25.** Pursuant to the Act, a municipality that complies with the deadlines in the Act for both determining present and prospective affordable housing obligations affordable housing

obligations and for adopting an appropriate HEFSP shall have immunity from exclusionary zoning litigation.

- 26.** The Borough of Highlands has met the deadline for the adoption and filing of its binding resolution (and the filing of this DJ Action in accordance with Directive # 14-24) not later than January 31, 2025 by adopting the binding resolution attached to this DJ Action as Exhibit 1, and has committed to the adoption of its HEFSP by the June 30, 2025.
- 27.** Without waiving any judicial immunity from exclusionary zoning litigation that Highlands possesses as a result of any applicable Judgment of Compliance and Repose entered in favor of the Borough in Round 3, Highlands has qualified for continued immunity under the Act while pursuing its certification of compliance in the instant matter.

WHEREFORE, the Borough of Highlands seeks a declaratory judgment for the following relief:

- a.** Declaring that the Borough has established jurisdiction for the Program and the Court to confirm its present and prospective affordable housing needs as set forth in the binding resolution attached as Exhibit 1 to this DJ Action or to adjust such determination consistent with the Act;
- b.** Declaring the present and prospective affordable housing obligations of Highlands under the Act;
- c.** Declaring the approval of Highlands' HEFSP subsequent to its adoption by the Planning Board and its endorsement by the Council, including, as appropriate and applicable, (i) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; (ii) a Durational Adjustment (whether predicated upon lack of sanitary sewer or lack of water); (iii) an adjustment based on any

future legislation that may be adopted that allows an adjustment of the affordable housing obligations; (iv) an adjustment based upon any ruling in litigation involving affordable housing obligations; and/or (v) any other applicable adjustment permitted in accordance with the Act and/or applicable COAH regulations;

- d. Declaring that Highlands continues to have immunity from all exclusionary zoning litigation and all litigation related to its affordable housing obligations as established under the Program;
- e. Declaring and issuing compliance certification and immunity from exclusionary zoning litigation in accordance with the Act and Directive # 14-24 to Highlands for the period beginning July 1, 2025 and ending June 30, 2035; and
- f. Declaring such other relief that the Program and Court deems just and proper within the parameters of the Act and applicable COAH regulations.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff,
Borough of Highlands

Jeffrey R. Surenian

By: _____
 Jeffrey R. Surenian, Esq.

Dated: January 16, 2025

CERTIFICATION PURSUANT TO R. 4:5-1

Jeffrey R. Surenian, Esq., of full age, hereby certifies as follows:

1. I am a member of the Firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for declaratory plaintiff, Borough of Highlands.

2. To the best of my knowledge, there is no other action pending in any court or any pending arbitration proceeding of which the matter in controversy herein is the subject and no such other action or arbitration proceeding is contemplated. To the best of my knowledge, there are no other parties who should be joined in this action.
3. The within Complaint was filed and served within the time prescribed by the Rules of Court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff
Borough of Highlands

By: *Jeffrey R. Surenian*
Jeffrey R. Surenian, Esq.

Dated: January 16, 2025

CERTIFICATION PURSUANT TO R. 1:38-7(b)

Jeffrey R. Surenian, Esq., of full age, hereby certifies as follows:

1. I am a member of the firm of Surenian, Edwards, Buzak & Nolan LLC, attorneys for Declaratory Plaintiff, Borough of Highlands.
2. I certify that confidential personal identifiers have been redacted from documents now submitted to the Court and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

SURENIAN, EDWARDS, BUZAK & NOLAN LLC
Attorneys for the Declaratory Plaintiff,
Borough of Highlands

Jeffrey R. Surenian
By: _____
Jeffrey R. Surenian, Esq.

Dated: January 16, 2025

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, notice is hereby given that Jeffrey R. Surenian, Esq., attorney for the Declaratory Plaintiff, Borough of Highlands is designated as trial counsel in the above captioned matter.

SURENIAN EDWARDS BUZAK & NOLAN LLC
Attorneys for Declaratory Plaintiff,
Borough of Highlands

Jeffrey R. Surenian
By: _____
Jeffrey R. Surenian, Esq.

Dated: January 16, 2025



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 25-045

RESOLUTION OF THE BOROUGH OF HIGHLANDS, COUNTY OF MONMOUTH, COMMITTING TO COMPLY WITH AFFORDABLE HOUSING OBLIGATIONS FOR ROUND 4

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) (hereinafter “Amended FHA”); and

WHEREAS, the Amended FHA requires the Department of Community Affairs (“DCA”) to produce non-binding estimates of fair share obligations on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 (“DCA Report”) wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report identifies the Borough’s Present Need, also referred to as its Rehabilitation Obligation, as 0 and its Round 4 Prospective Need as 30; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support lower calculations of Round 4 affordable housing obligations; and

WHEREAS, the Amended FHA further provides that “[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions” (N.J.S.A 52:27D-311 (m)); and

WHEREAS, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

WHEREAS, based on the foregoing, the Borough of Highlands accepts the DCA calculations of its fair share obligations and commits to its fair share of 0 units present need and 30 units prospective need for Round 4 subject to any vacant land and/or durational adjustments it may seek as part of the Housing Element and Fair Share Plan it submits by the June 30, 2025 deadline the Amended FHA establishes; and

WHEREAS, the Borough of Highlands reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, the Borough of Highlands also reserves the right to adjust its position in the event of any rulings in the Montvale case (MER-L-1778-24) or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, the Borough of Highlands reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, in light of the above, the Borough of Highlands finds that it is in the best interest of the Borough to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint in the county in which the municipality is located within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner” and

WHEREAS, the Borough of Highlands seeks a certification of compliance with the FHA and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution in Monmouth County and with the Program.

NOW, THEREFORE, BE IT RESOLVED on this 15th day of January, 2025 by the Borough of Highlands as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
2. The Borough of Highlands hereby commits to the obligations the DCA reported on October 18, 2024, 0 units for the Present Need or rehab obligation and 30 for the Round 4 Prospective Need subject to all reservations of rights, which specifically include:
 - a. The right to a vacant land adjustment or a durational adjustment in accordance with COAH regulations;
 - b. The right to comply with the NJILGA Legislation or any other legislation that modifies its rights and obligations under current laws;

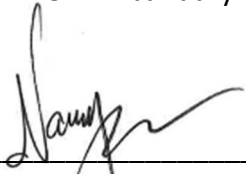
- c. The right to adjust its obligations based upon any ruling in the Montvale litigation or any other litigation; and
 - d. The right to adjust its obligations in the event of a third party challenge to the obligations of the Borough of Highlands and the Borough defends itself.
3. The Borough of Highlands hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint in Monmouth County within 48 hours after adoption of this resolution attaching this resolution.
 4. The Borough of Highlands authorizes its Affordable Housing Counsel to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.
 5. This resolution shall take effect immediately, according to law.

Motion to Approve R 25-045:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES			X			
CHELAK		X	X			
MELNYK			X			
OLSZEWSKI			X			
BROULLON	X		X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: January 15, 2025



 Nancy Tran, Municipal Clerk
 Borough of Highlands

APPENDIX E
PTAK TOWERS
DOCUMENTATION

DEED

This Deed is made on April 7, 1986

BETWEEN PET-MIL CORPORATION

COUNTY OF MONMOUTH	
CONSIDERATION	EXEMPT
RFT	DATE 4/10/86 BY SD

a corporation of the state of New Jersey
having its principal office at 25 South Service Road, Jericho, New York
referred to as the Grantor,

AND THE HOUSING AUTHORITY OF THE BOROUGH OF HIGHLANDS

whose post office address is 171 Bay Avenue, Highlands, New Jersey
referred to as the Grantee.

The word "Grantee" shall mean all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of Five Million Six Hundred Thirty-five Thousand Nine Hundred Eighty-five and 00/100---DOLLARS--- (\$5,635,985.00)----- The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Highlands
Block No. 61 Lot No. 16, 19.01 & 24 Account No.
☐ No property tax identification number is available on the date of this Deed. (Check box if applicable.)

Property. The property consists of the land and all the buildings and structures on the land in the County of Monmouth Borough of Highlands and State of New Jersey. The legal description is:

BEGINNING at a point in the westerly line of Shore Drive, said point being distant northerly 150 feet from the intersection of said westerly line of Shore Drive with the northerly line of Valley Avenue, and running, thence (1) Along said westerly line of Shore Drive North 42 degrees 47 minutes West, a distance of 330.00 feet to a point, thence (2) South 46 degrees 30 minutes West, a distance of 115.00 feet to a point, thence (3) South 42 degrees 47 minutes East, a distance of 330.00 feet to a point, thence (4) North 46 degrees 30 minutes East, a distance of 115.00 feet to the point or place of BEGINNING.

The above description is in accordance with a survey prepared by Thomas P. Santry, P.A. dated April 22, 1985.

BEING the same premises conveyed to the Grantor herein by Deed from Power Electric Co., Inc., dated June 17, 1985, recorded July 23, 1985 in the Monmouth County Clerk's Office in Deed Book 4579, Page 710.

DEED

BOOK 4646 PAGE 462

Prepared by:
(N.J.S.A. 46:15-13)

Anthony J. Giampapa
(Print signer name below signature)
Anthony J. Giampapa, Esq.

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR EXEMPTION
(c. 49, P.L. 1968)

ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N. J. 07016
ADGRV -1

or
PARTIAL EXEMPTION
(c. 176, P.L. 1975)

To Be Recorded With Deed Pursuant to c. 49, P.L. 1968 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY

COUNTY OF PASSAIC

FOR RECORDER'S USE ONLY

Consideration \$ _____
Realty Transfer Fee \$ EXEMPT
Date 4/10/86 By JD

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side)

Deponent, MILTON D. PETRIDES, being duly sworn according to law upon his/her oath deposes and says that he/she is the Corporate Officer
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co. Lending Institution, etc.)
in a deed dated April 7, 1986 transferring real property identified as Block No. 61
Lot No. 16, 19, 01 & 24 located at Shore Drive, Borough of Highlands, County
of Monmouth, New Jersey and annexed hereto.

(2) CONSIDERATION (See Instruction #6)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$5,635,985.00.

(3) FULL EXEMPTION FROM FEE Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by c.49, P.L. 1968, for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

By or to the United States of America, this State, or any instrumentality, agency or subdivision thereof.

(4) PARTIAL EXEMPTION FROM FEE NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. (See Instruction #8)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by c. 176, P.L. 1975 for the following reason(s):

a) SENIOR CITIZEN (See Instruction #8)

- ☐ Grantor(s) 62 yrs. of age or over.*
☐ One or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

b) BLIND (See Instruction #8)

- ☐ Grantor(s) legally blind.*
☐ One or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

c) DISABLED (See Instruction #8)

- ☐ Grantor(s) permanently and totally disabled.*
☐ One or two-family residential premises.
☐ Receiving disability payments.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Not gainfully employed.
☐ No joint owners other than spouse or other qualified exempt owners.

*IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY.

d) NEW CONSTRUCTION (See Instruction #8)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.
☐ Not previously occupied.

Deponent makes affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of c. 49, P.L. 1968.

Subscribed and Sworn to before me

this 7th day of April, 19 86

Anthony J. Giampara
ANTHONY J. GIAMPARA
An Attorney at Law of New Jersey

MILTON D. PETRIDES
Name of Deponent

25 South Service Rd., Jericho, N.Y.
Address of Deponent

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.
Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF.

This form is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered or amended without the approval of the Director.

ORIGINAL - White copy to be retained by County.

DUPLICATE - Yellow copy to be forwarded by County to Division of Taxation, pursuant to N.J.A.C. 18:16-8.12.

TRIPLICATE - Pink copy is your file copy.

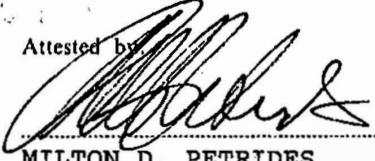
WHITE AND YELLOW COPIES MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

BOOK 4646 PAGE 463

Promises by Grantor. The Grantor promises that the Grantor has done no act to encumber the property. This promise is called a "covenant as to grantor's acts" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor).

Signatures. This Deed is signed and attested to by the Grantor's proper corporate officers as of the date at the top of the first page. Its corporate seal is affixed.

Attested by


MILTON D. PETRIDES

Secretary

PET-MIL CORPORATION


MILTON D. PETRIDES

President

STATE OF NEW JERSEY, COUNTY OF PASSAIC
I CERTIFY that on April 7, 1986
MILTON D. PETRIDES

SS.:

personally came before me and this person acknowledged under oath, to my satisfaction, that:

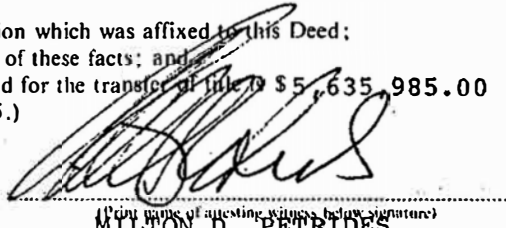
- (a) this person is the secretary of PET-MIL CORPORATION the corporation named in this Deed;
- (b) this person is the attesting witness to the signing of this Deed by the proper corporate officer who is MILTON D. PETRIDES the President of the corporation;
- (c) this Deed was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this Deed;
- (e) this person signed this proof to attest to the truth of these facts; and
- (f) the full and actual consideration paid or to be paid for the transfer of title is \$5,635,985.00 (Such consideration is defined in N.J.S.A. 46:15-5.)

Signed and sworn to before me on

April 7, 1986

ANTHONY J. GIAMPAPA

An Attorney at Law of New Jersey


(Print name of attesting witness below signature)
MILTON D. PETRIDES

021222
RECORDED
MONMOUTH COUNTY
CLERKS OFFICE
8:44 AM
APR 10 1986
JANE G. CLAYTON
COUNTY CLERK
FREEHOLD N.J.

DEED

PET-MIL CORPORATION

TO

THE HOUSING AUTHORITY OF THE
BOROUGH OF HIGHLANDS

Grantor.

Grantee.

Dated: April 7, 19 86

Record and return to:

Anthony J. Giampapa, P.C.
1135 Clifton Avenue
Clifton, New Jersey 07013

RTF EXEMPT

Re NJ 822.00

BOOK 4646 PAGE 465

END OF DOCUMENT

APPENDIX F
MONMOUTH HIGHLANDS APARTMENTS
DOCUMENTATION

EXHIBIT "A"

THIS INDENTURE is made this 2nd day of February, 1994 by the Resolution Trust Corporation as Receiver for First Atlantic Federal Savings Association ("Grantor"), and Monmouth Housing Alliance ("Grantee") with an address at 90 Monmouth Street, Red Bank, NJ 07701.

WITNESSETH, that Grantor for and in consideration of the sum of One Dollar (\$1.00) lawful money of the United States of America, unto it well and truly paid by Grantee at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has remised, and quitclaimed and by these presents does remise, release and quitclaim unto Grantee, its successors and assigns:

ALL THAT CERTAIN real property described in the Exhibit "B" attached hereto and made a part hereof;

TOGETHER with all and singular the tenements, hereditaments and appurtenances whatsoever thereunto belonging, or in any wise appertaining, and the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, claim and demand whatsoever in and to the same and every part thereof (hereinafter the "Property");

Tax Map Reference: (N.J.S.A. 46:15-2.1) Municipality of: Borough of Highlands
Block No.: 40 Lot No.: 5.01 to 5.16 Assessed No.:
No property tax identification number is available on the date of the deed.
(Check if applicable)

UNDER AND SUBJECT, nevertheless, to all rights, reservations, restrictions and covenants of record including, without limitation, a Land Use Restriction Agreement and Recapture & Reinvestment of Profits Agreement to be recorded simultaneously herewith, the covenant, condition and restriction to which the hereby granted Property and improvements now existing or hereinafter thereon shall be and remain subject.

TO HAVE AND TO HOLD all and singular the above described Property, with the appurtenances, unto the Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF the Grantor has caused this Deed to be duly executed the day and year first above written.

GRANTOR:
Resolution Trust Corporation as
Receiver for
First Atlantic Federal Savings
Association

Witness: Susan L. Taney

By: David A. Harrison
Title: Attorney-in-Fact

GRANTEE:
Monmouth Housing Alliance

Witness: Felicia R. Bonaimo

By: Richard J. Weber
Its Authorized Agent Richard J. Weber
Title: Vice President & Attorney

Prepared by Jonathan Beyer
Senior Attorney, RTC-VFO

COUNTY OF MONMOUTH	
CONSIDERATION	
RTF <u>Grant</u>	add'l RTF
DATE <u>2-28-94</u> BY <u>RJB</u>	

DB5290-0830

RTF Grant
ch 24 -
modest
misleading
mean, vulgar
P.O. Box 696
Red Bank NJ
07753

EXHIBIT A

LEGAL DESCRIPTION FOR
Block 20, Lots 5.01 to 5.16 inclusive
37 Navesink Avenue, Borough of Highlands
County of Monmouth, State of New Jersey

ALL that certain tract or parcel of land and premises situate, lying and being in the Borough of Highlands, County of Monmouth and State of new Jersey, commonly known as 37 Navesink Avenue and more particularly described as follows:

BEGINNING at the intersection of the southwesterly line of New Jersey State Highway route 36 (80 feet wide) with the westerly line of Lot 4 in Block 20; said point being 312.20 feet measured westerly along said line of New Jersey State Highway Route 36 from its intersection with the westerly line of Portland Road, (50 feet wide) and from said beginning point running:

- 1) Along said line of Lot 4, South 47 degrees 26 minutes 10 seconds west 104.37 feet to a point in the northeasterly line of Highland Avenue (50 feet wide); thence
- 2) Along said line of Highland Avenue, North 36 degrees 47 minutes 00 seconds west, 150.15 feet in the southeasterly line of Lot 6; thence
- 3) Along said Lot 6, North 47 degrees 03 minutes 38 seconds east, 77.97 feet to a point in the southwesterly line of New Jersey State Highway Route 36; thence
- 4) Along said line of New Jersey State Highway Route 36, south 46 degrees 52 minutes 02 seconds east, 150.32 feet to the point and place of BEGINNING.

BEING KNOWN and designated as Lots 5.01 through 5.16 in Block 20 as shown on the Borough of Highlands, County of Monmouth Tax Map.

The above description was drawn in accordance with a survey made by Abbington-Ney Associates, C.E.L.S.P.P., dated May 19, 1987.

MFLURA Version 2.0

085290-0831

19914
RECORDED
FEB 28 1994 8:39 AM
MONMOUTH COUNTY CLERK
JANE G. CLAYTON

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION OR EXEMPTION
(c. 49, P.L. 1968)

ALL-STATE LEGAL SUPPLY CO.
One Commerce Drive, Cranford, N. J. 07016

ADGRVST-2

PARTIAL EXEMPTION
(c. 176, P. L. 1975)

To Be Recorded With Deed Pursuant to c. 49, P.L. 1968, as amended by c. 225, P.L. 1985 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY }
COUNTY OF MONMOUTH } ss.

FOR RECORDER'S USE ONLY

Consideration \$ _____
Realty Transfer Fee \$ Exempt *
Date 2-28-94 By RB

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side)

Deponent, Richard J. Weber, being duly sworn according to law upon his/her oath deposes and
says that he/she is the Vice President and Attorney
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co. Lending Institution, etc.)
in a deed dated February 2, 1994, transferring real property identified as Block No. 20
Lot No. 5.01 to 5.16 inclusive at 37 Navesink Avenue, Borough of Highlands, Monmouth County
(Street Address, Municipality, County) and annexed hereto.

(2) CONSIDERATION (See Instruction #6)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$ 1.00

(3) FULL EXEMPTION FROM FEE

Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by c. 49, P.L. 1968, for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.
(a) Consideration less than \$100.00

(4) PARTIAL EXEMPTION FROM FEE

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. (See Instructions #8 and #9)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by c. 176, P.L. 1975 for the following reason(s):

a) SENIOR CITIZEN (See Instruction #8)

- ☐ Grantor(s) 62 yrs. of age or over. *
☐ One or two-family residential premises
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

b) BLIND (See Instruction #8)

- ☐ Grantor(s) legally blind. *
☐ One or two-family residential premises.
☐ Owned and occupied by grantor(s) at time of sale.
☐ No joint owners other than spouse or other qualified exempt owners.

DISABLED (See Instruction #8)

- ☐ Grantor(s) permanently and totally disabled. *
☐ One or two-family residential premises.
☐ Receiving disability payments.
☐ Owned and occupied by grantor(s) at time of sale.
☐ Not gainfully employed.
☐ No joint owners other than spouse or other qualified exempt owners.

*IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY.

c) LOW AND MODERATE INCOME HOUSING (See Instruction #8)

- ☐ Affordable According to H.U.D. Standards.
☐ Meets Income Requirements of Region.
☐ Reserved for Occupancy.
☐ Subject to Resale Controls.

d) NEW CONSTRUCTION (See Instruction #9)

- ☐ Entirely new improvement.
☐ Not previously used for any purpose.
☐ Not previously occupied.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of c. 49, P.L. 1968.

Subscribed and Sworn to before me

this 8th day of February, 1994

Felicia R. Bonaimo

Name of Deponent (sign above line)
Richard J. Weber
3455 Route 66, Neptune NJ
07753
Address of Deponent

First Atlantic Federal
Savings Association
Name of Grantor (type above line)
c/o Resolution Trust Corp.
P.O. Box 1500
Address of Grantor at Time of Sale
Valley Forge PA 19482

FELICIA R. BONAIMO

Notary Public of New Jersey

My Commission Expires Jan. 12, 1999

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.

Instrument Number _____ County _____
Deed Number _____ Book _____ Page _____
Deed Dated _____ Date Recorded _____

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF.

This form is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered or amended without the approval of the Director.

ORIGINAL — White copy to be retained by County.

DUPLICATE — Yellow copy to be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 18:16—8.12).

TRIPLICATE — Pink copy is your file copy.

085290-0832

WHITE AND YELLOW COPIES MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

ACKNOWLEDGEMENT

STATE/Commonwealth of NEW JERSEY
COUNTY OF MONMOUTH

On this the 8th day of February, 1994, before me, the undersigned notary public, personally appeared Richard J. Weber, known to me to be the Vice Pres. & Attorney, and whose name is subscribed to the within instrument and acknowledged that he/she executed same for the purpose therein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.

Felicia R. Bonaime
Notary Public

FELICIA R. BONAIMO
Notary Public of New Jersey
My Commission Expires Jan. 12, 1999

STATE/Commonwealth of Pennsylvania
COUNTY OF Montgomery

On this 2nd day of February, 1994, before me personally came Linda Harrison, to me personally known to be the person described and appointed attorney-in-fact for the Resolution Trust Corporation in its capacity as Receiver/Conservator for First Atlantic Federal Savings Association, and acknowledged that s/he had executed the foregoing instrument as the act of the said Corporation.

Notarial Seal
Susanne L. Taney, Notary Public
Upper Providence Twp., Montgomery County
My Commission Expires July 14, 1997

Susanne L. Taney
Notary Public

END OF DOCUMENT

DB5290-0833

October 1992
Version 2.0

RECORDED
FEB 28 1994 8:40 AM
MONMOUTH COUNTY CLERK
JANE G. CLAYTON

NOTE: THIS DOCUMENT MUST BE REFERENCED IN THE DEED, AND MUST BE RECORDED AND TIME STAMPED IMMEDIATELY AFTER THE DEED

1530
 May 4/1 —
 Malink, M. L. Stein Mason
 P.O. Box 696
 Neptune, N.J.
 07753

DB5290-0834

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LAND USE RESTRICTION AGREEMENT

THIS LAND USE RESTRICTION AGREEMENT (this "Agreement") is made and entered into this 2nd day of February, 1994, by and between Resolution Trust Corporation, established pursuant to Section 501(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, acting in its capacity as receiver for First Atlantic Federal Savings Association ("Seller"), and Monmouth Housing Alliance, a _____ ("Owner").

Recitals

Owner has purchased from Seller certain land described on Exhibit A attached hereto and incorporated herein by reference, together with the improvements located thereon, including a 16 -unit rental housing project commonly known as Highview Residential Community, Highview Apartments, 37 Navesink Avenue, Highlands, NJ (said land and improvements are hereinafter collectively referred to as the "Property"), which constitute an "eligible multifamily housing property" as defined in Section 21A(c)(9)(D) of the Federal Home Loan Bank Act (12 U.S.C. §1441a(c)(9)(D)), as amended.

Pursuant to Section 21A(c) of the Federal Home Loan Bank Act (12 U.S.C. §1441a(c)), as amended, Owner must agree to comply with certain occupancy and rent restrictions for the remaining useful life of the Property, and the parties hereto have entered into this Agreement to evidence Owner's agreement to comply with such restrictions.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows.

ARTICLE I

Definitions

Section 1.1. General. Capitalized terms used in this Agreement shall have, unless the context clearly requires otherwise, the meanings specified in this Article I. Certain additional terms may be defined elsewhere in this Agreement.

(a) "Act" means Section 21A of the Federal Home Loan Bank Act (12 U.S.C. §1441a), as amended, or any corresponding provision or provisions of succeeding law as it or they may be amended from time to time.

(b) "Agency" means the State Housing Finance Agency or any agency, corporation or authority of the United States government that normally engages in activities related to the preservation of affordable housing which is a successor to or assignee of RTC with respect to its powers and responsibilities hereunder.

(c) "Agreement" means this Land Use Restriction Agreement, as it may from time to time be amended.

(d) "Annual Income" means "income" as defined in Section 3(b)(4) of the United States Housing Act of 1937 and as determined in accordance with the regulations thereunder promulgated by the Secretary.

(e) "Lower-Income Families" means families and individuals whose Annual Incomes do not exceed 80 percent of area median income in the area in which the

Property is located, as determined by the Secretary under Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. §1437a(b)(2)), with adjustment for family size.

(f) "Owner" means Monmouth Housing Alliance, as set forth at the beginning of this Agreement, or any successor in title to the Property.

(g) "Qualified Tenant" means a family or individual tenant of a Qualifying Unit who satisfies the requirements of Section 2.2(a) of this Agreement with respect to such Qualifying Unit.

(h) "Qualifying Unit" means a Unit that (i) is rented to either a Lower-Income Family or Very Low Income Family and (ii) is used in complying with the lower-income occupancy requirements of Section 2.2(a). Any Unit rented to a Lower-Income Family or Very Low Income Family that is not needed to meet the lower income occupancy requirements of Section 2.2(a) will not be deemed a Qualifying Unit and will not be subject to the rent restrictions of Article IV.

(i) "RTC" means the Resolution Trust Corporation, established pursuant to Section 501(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

(j) "Regulations" means the regulations promulgated pursuant to the Act by RTC or any successor, as amended from time to time.

(k) "Related Entity" means, with respect to any party which has been an Owner hereunder: (i) any spouse, parent, child, grandchild, brother or sister of such Owner; or (ii) any person or entity (A) that directly or indirectly controls or is controlled by or is under common control with such Owner, (B) that is an officer of, partner in or trustee of, or serves in a similar capacity with respect to, such Owner or of which such Owner is an officer, partner or trustee, or with respect to which such Owner serves in a similar capacity, or (C) that is the beneficial owner, directly or indirectly, of 10% or more of any class of equity securities of such Owner or of which such Owner is directly or indirectly the owner of 10% or more of any class of equity securities.

(l) "Secretary" means the Secretary of Housing and Urban Development.

(m) "State" means the state in which the Property is located.

(n) "State Housing Finance Agency" means the public agency, authority, corporation, or other instrumentality of the State that has the authority to provide residential mortgage loan financing throughout the State.

(o) "Term" means the period commencing on the date hereof and continuing until the earliest to occur of the following:

(1) the date upon which there is an involuntary loss of the Property by Owner caused by seizure, condemnation, foreclosure or deed in lieu of foreclosure of a mortgage or deed of trust securing a bona fide loan from an institutional lender, or upon which there is a change in federal law which prevents RTC or the Agency from enforcing this Agreement; provided, however, that in the event of loss of the Property by foreclosure or deed in lieu of foreclosure, if the party which was Owner at the time of or immediately prior to such foreclosure or deed in lieu of foreclosure, or a Related Entity of such party, acquires an ownership interest in the Property at any time thereafter, then the covenants and restrictions set forth in this Agreement shall be revived and shall remain in force until the further occurrence of an event described in this subsection;

(2) the date upon which there is a total involuntary loss of the use of the Property for residential housing purposes by Owner caused by fire or other

casualty;

(3) the date upon which there is a partial involuntary loss of the Property, or of the use thereof for residential housing purposes, caused by seizure or condemnation or by fire or other casualty, which partial loss shall not have been restored through repair or other restoration measure, in which event the covenants and restrictions hereof shall be modified to reflect the appropriate numbers of Units to be held available for Lower-Income Families and Very Low-Income Families, based upon the reduced number of Units in the Property and the percentages of Units for Lower-Income Families and Very Low-Income Families previously required to be maintained in the Property, which covenants and restrictions shall remain in effect for the remainder of the Term;

(4) the date upon which RTC or the Agency determines, in accordance with the Regulations, (i) that all or a portion of the Property is obsolete as to physical condition, location or other factors, making it unusable for housing purposes, and (ii) that no reasonable program of modifications is financially feasible to return the Property or a portion of the Property to useful life; or

(5) the date which is the later of (i) forty (40) years from the date of this Agreement or (ii) fifty (50) years from the date the Property was initially occupied as multifamily housing.

(p) "Unit" means a residential accommodation constituting a part of the Property and containing separate and complete living facilities.

(q) "Very Low-Income Families" means families and individuals whose Annual Incomes do not exceed 50 percent of area median income in the area in which the Property is located, as determined by the Secretary under Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. §1437a(b)(2)), with adjustment for family size.

Section 1.2. Generic Terms. Unless the context clearly indicates otherwise, where appropriate the singular shall include the plural and the masculine shall include the feminine or neuter, and vice versa, to the extent necessary to give the terms defined in this Article I and/or the terms otherwise used in this Agreement their proper meanings.

ARTICLE II

Use and Occupancy of the Property

Section 2.1. Use of the Property. During the Term, Owner will maintain the Property as multifamily rental housing and will rent or hold available for rental each Unit on a continuous basis; provided, however, that Owner may convert a portion of the Property to a use other than multifamily rental housing if Owner shall continue to observe and perform the covenants and restrictions contained in Sections 2.2 and 3.1 hereof.

Section 2.2. Occupancy Requirements.

(a) Subject to subsections (c) and (d), during the Term, Owner will make continuously available for occupancy by Lower-Income Families as Qualifying Units (including compliance with Article III hereof) not less than 6 Units, of which not less than 3 Units shall be made available for occupancy by Very Low-Income Families. Owner shall use its best efforts, subject to current market conditions, (i) to distribute Units reserved for Lower-Income Families and Very Low-Income Families among unit sizes in proportion to the distribution of unit sizes in the Property and (ii) to avoid concentration of Lower-Income Families or Very Low-Income Families in any area or areas of the Property.

(b) (i) The determination of whether the Annual Income of a family or individual occupying or seeking to occupy a Qualifying Unit exceeds the applicable income limit shall be made prior to admission of such family or individual to occupancy in a Qualifying Unit (or to designation of a Unit occupied by such family or individual as a Qualifying Unit), except that with respect to families or individuals occupying Units on the date hereof, such determination shall be made within 60 days prior to the designation of any such Unit as a Qualifying Unit. Thereafter such determinations shall be made at least annually on the basis of an examination or reexamination of the current income of the family or individual.

(ii) If the Annual Income of a Qualified Tenant which is a Very Low-Income Family shall be determined upon reexamination to exceed the applicable income limit for Very Low-Income Families, but not the applicable income limit for Lower-Income Families, the Unit shall be counted as occupied by a Qualified Tenant which is a Lower-Income Family other than a Very Low-Income Family during such family's or individual's continuing occupancy of such Unit in accordance with clause (iii) below and Owner shall be required to make the next available Qualifying Unit available for occupancy in accordance with clause (iv) below.

(iii) If the Annual Income of a Qualified Tenant shall be determined upon reexamination to exceed the applicable income limit for Lower-Income Families, the Unit occupied by such family or individual shall be counted as occupied by a Qualified Tenant (and such family shall be considered, for purposes of subsection (a) and Article III, a Qualified Tenant which is a Lower-Income Family other than a Very Low-Income Family) so long as (A) the Annual Income of such family or individual shall not be determined to exceed 140 percent of the applicable income limit for Lower-Income Families, or (B) if the Annual Income of such family or individual shall be determined to exceed 140 percent of the applicable income limit for Lower-Income Families, so long as each Unit of comparable or smaller size in the Property which is or becomes available is occupied or held available for occupancy by a new resident whose Annual Income does not exceed the applicable income limit for Lower-Income Families (or a Unit other than a Qualifying Unit occupied by a family or individual whose Annual Income is determined to not exceed the applicable income limit for Lower-Income Families is designated a Qualified Unit) until the occupancy requirements of subsection (a) are met without counting such over-income family or individual. If the Annual Income of a Qualified Tenant shall be determined to exceed 140 percent of the applicable income limit for Lower-Income Families, Owner shall not be required to observe, with respect to such tenant, the restrictions on maximum rents provided under Article III.

(iv) If the required occupancy by Very Low-Income Families is not met at any time, but the requirement as to occupancy by Lower-Income Families other than Very Low-Income Families is met, Owner shall be required to make each available Unit in the Property available to a Very Low-Income Family until the required occupancy by Very Low-Income Families is achieved. If the required occupancy by Very Low-Income Families is not met at any time but the total requirement as to occupancy by Lower-Income Families including Very Low-Income Families is met, Owner shall not be required to make the next available Unit in the Property available to a Very Low-Income Family but shall be required to make each Qualifying Unit vacated by a Lower-Income Family available for occupancy by a Very Low-Income Family until the required occupancy by Very Low-Income Families is achieved. Notwithstanding the foregoing two sentences, the State Housing Finance Agency may, upon application by Owner, permit any such Qualifying Unit to be rented to a Lower-Income Family other than a Very Low-Income Family if the Agency determines (i) that Owner has taken reasonable steps to rent such Unit to a Very Low-Income Family and has been unable to do so and (ii) that continued vacancy will cause financial hardship to the Property. If the Agency shall not have responded to an application by Owner pursuant to the preceding sentence within 90 days from the date of submission thereof, such application shall be deemed to have been granted.

(v) If neither the required occupancy by Very Low-Income Families nor the required occupancy by Lower-Income Families other than Very Low-Income Families is met at any time, preference (as between potential tenants on a waiting list or simultaneous applicants) must be given to Very Low-Income Families in the renting of each Unit in the Property which becomes available until the requirement as to occupancy by Lower-Income Families other than Very Low-Income Families is met, after which the rule of clause (iv) will apply, if necessary.

(vi) A Unit that was occupied by a Qualified Tenant and becomes vacant shall be counted as occupied by a Qualified Tenant until it is reoccupied for a period in excess of thirty-one (31) days, at which time the Unit shall be considered to be occupied by a Qualified Tenant only if the family or individual then occupying the unit satisfies the definition of a Qualified Tenant.

(c) (i) Anything to the contrary in the foregoing notwithstanding, Owner will not terminate the occupancy of any tenants in occupancy on the date hereof that are not Lower-Income Families or Very Low-Income Families for purposes of meeting the requirements of this Section. In the event that Owner is unable to comply with the occupancy requirements of this Section because of the occupancy at the date hereof of any Units by tenants who are not Lower-Income Families or Very Low Income Families, or who have not been determined to be Qualified Tenants, Owner will be in compliance with this Section if each Unit which thereafter becomes vacant is occupied or held available for occupancy by Lower-Income Families or Very Low-Income Families, as the case may be, in accordance with the requirements of subsection (b) until the lower-income occupancy requirements of such subsection are met.

(ii) If a Unit has been designated as or determined to be a Qualifying Unit, Owner must continue to treat such Unit as a Qualifying Unit for as long as it is continuously occupied by a tenant whose income does not exceed 140 percent of the applicable income limit for Lower-Income Families.

(d) Notwithstanding the foregoing, the Secretary or the State Housing Finance Agency may, upon application by Owner, temporarily reduce the lower-income occupancy requirements set forth in subsection (a) if the Secretary or the State Housing Finance Agency determines that Owner's compliance with such requirements is no longer financially feasible. Owner will make a good-faith effort to return the lower-income occupancy to the level required by subsection (a), and the Secretary or the State Housing Finance Agency, as appropriate, will review the reduction annually to determine whether financial infeasibility continues to exist.

ARTICLE III

Rent

Section 3.1 Rent Limitations for Qualified Tenants.

(a) (i) The rent charged by Owner for Qualifying Units occupied by Very Low Income Families shall not exceed the maximum rent for Qualified Tenants who are Very Low-Income Families for units of the applicable size in the area, as established by RTC or the Agency or the Secretary. Such maximum rent shall be not greater than 30% of the adjusted income of a family whose income equals 50% of area median income, with adjustment for family size based upon unit type.

(ii) The rent charged by Owner for Qualifying Units occupied by Lower-Income Families other than Very Low-Income Families shall not exceed the maximum rent for Qualified Tenants who are Lower-Income Families other than Very Low-Income Families for units of the applicable size in the area, as established by RTC or the Agency or the Secretary. Such maximum rent shall be not greater

than 30% of the adjusted income of a family whose income equals 65% of area median income, with adjustment for family size based upon unit type.

(iii) For purposes of calculating maximum rents under this section, (x) the adjustment for family size based upon unit type shall be calculated on the basis of the number of bedrooms in such unit as set forth at Exhibit B hereto and (y) the adjusted income of a family shall be calculated by subtracting from the annual income of a family at the applicable maximum income level the specific adjustments set forth at Exhibit B hereto.

(b) Owner may make a written request to RTC for the schedule of maximum rents applicable to the Property as of the date hereof, and RTC shall provide such schedule within thirty days after (i) the date hereof or (ii) the date RTC receives such request, whichever is later. Such rents shall be subject to annual adjustment upon publication by the U.S. Department of Housing and Urban Development of revised income limits for area lower-income and very low-income families, which adjustment shall be based upon changes in the applicable area median income limits.

(c) If a Qualified Tenant ceases to be considered a Qualified Tenant in accordance with Section 2.2(b), Owner shall, subject to the terms of the lease and applicable law, be free to condition such family's or individual's continued occupancy in the Property upon its payment of a rental charge not subject to the limitations of this Article III.

ARTICLE IV

Administration

Section 4.1. Lease Provisions. All tenant leases entered into with Qualified Tenants during the Term shall contain provisions wherein each individual lessee (i) certifies the accuracy of the information provided in connection with the examination or reexamination of Annual Income of the household of such lessee, and (ii) agrees that the Annual Income and other eligibility requirements shall be deemed substantial and material obligations of his or her tenancy, that he or she will comply promptly with all requests for information with respect thereto from Owner or RTC or the Agency, and that his or her failure to provide accurate information regarding such requirements (regardless of whether such inaccuracy is intentional or unintentional) or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of his or her tenancy and constitute cause for immediate termination thereof.

Section 4.2. Examination and Reexamination of Incomes.

(a) Owner shall be responsible for determination of the Annual Income and family composition of Qualified Tenants, and for reexamination of Annual Income and family composition of Qualified Tenants at least annually, in accordance with procedures prescribed by RTC or the Agency.

(b) As a condition of admission to occupancy of a Qualifying Unit, Owner shall require the household head and other such household members as it designates to execute an RTC or Agency approved release and consent authorizing any depository or private source of income, or any Federal, State or local agency, to furnish or release to Owner and to RTC or the Agency such information as Owner or RTC or the Agency determines to be necessary. Owner shall also require the household to submit directly documentation determined to be necessary. Information or documentation shall be determined to be necessary if it is required for purposes of determining or auditing a household's eligibility as a Qualified Tenant, or for verifying related information. The use or disclosure of information obtained from a household or from another source

pursuant to this release and consent shall be limited to purposes directly connected with administration of this Agreement.

(c) Owner shall not be deemed to be in violation of Articles II and III of this Agreement if, in determining Annual Income and family composition of a Qualified Tenant, (i) Owner has relied in good-faith upon information which is supplied to Owner by the tenant, (ii) Owner has no reason to believe such information is false, and (iii) Owner shall have complied with all requirements of RTC or the Agency with respect to verification of household income and family composition.

Section 4.3. Certification by Owner. During the Term, on each anniversary of the date upon which this Agreement was first recorded in the land records of the jurisdiction in which the Property is located, or upon such other annual date as RTC or the Agency, in its discretion, upon reasonable notice to the Owner, shall establish, Owner shall submit to RTC or the Agency a certification, in a form prescribed by RTC or the Agency, as to Owner's compliance with all of the terms and provisions of this Agreement.

Section 4.4. Maintenance of Documents. All tenant lists, applications, leases, waiting lists, income examinations and reexaminations relating to the Property shall at all times be kept separate and identifiable from any other business of Owner which is unrelated to the Property, and shall be maintained, as required by RTC or the Agency, in a reasonable condition for proper audit and subject to examination and photocopying during business hours by representatives of RTC or the Agency.

Section 4.5. Compliance Review. RTC or the Agency periodically will monitor Owner's compliance with the requirements of this Agreement. In conducting its compliance review, RTC or the Agency will rely primarily on information obtained from Owner's records and reports, findings from on-site monitoring, and audit reports. RTC or the Agency may also consider relevant information gained from other sources, including litigation and citizen complaints. Owner shall cooperate with RTC or the Agency in any such compliance review and shall furnish all notices, information and reports reasonably required by RTC or the Agency for such purpose.

Section 4.6. Administrative Fee.

(a) In order to compensate RTC or the Agency for the review performed pursuant to Section 4.5, Owner shall pay to RTC (in its corporate capacity and not as receiver or conservator for the savings institution identified on the first page of this Agreement) or the Agency, as applicable, an annual administrative fee for the first twelve month period of this Agreement in the amount of \$50 per Qualifying Unit required to be held available under Section 2.2(a) hereof, but in no event less than \$250.

(b) If RTC or the Agency shall find the Property not to be in compliance with the terms hereof (including the requirements of this Article IV), Owner shall pay to RTC or the Agency, as applicable, an additional administrative fee in an amount prescribed from time to time by RTC or the Agency, which amount, for the first twelve month period of this Agreement, shall be \$50 per Qualifying Unit required to be held available under Section 2.2(a) hereof, for additional monitoring and enforcement activities undertaken with respect to the Property. The annual fee payable in the event of noncompliance shall be in addition to, and distinct from, the amount due pursuant to Section 4.6(a), as well as any reimbursements of costs and legal fees to which RTC or the Agency may be entitled as a result of judicial enforcement action, and such fee shall be payable without respect to whether RTC or the Agency undertakes or succeeds in judicial enforcement action. RTC or the Agency shall be entitled to undertake additional monitoring and enforcement activities, and to be compensated therefor, for a period of up to three years following its most recent finding of noncompliance

with respect to the Property.

(c) For each twelve month period after the first twelve month period of this Agreement, the administrative fees payable hereunder shall be the amounts set forth in subsections (a) and (b) of this Section 4.6, as applicable, multiplied by the increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor (or any generally recognized successor to such Index) between the date hereof and the latest publication of such Index immediately preceding the applicable anniversary date of this Agreement.

Section 4.7. Releases.

(a) RTC shall --

(i) execute such documents as may be required to evidence release of the Property from the covenants and restrictions set forth in this Agreement based upon the expiration of the Term as provided in Section 1.1(o) hereof (subject, in the event of foreclosure or deed in lieu of foreclosure, to revival as set forth in Section 1.1(o)(1)), upon receipt from Owner of a certification as to the occurrence of the event giving rise to such expiration and such other evidence as RTC or the Agency may reasonably require; and

(ii) execute an appropriate modification to this Agreement to reflect reduced requirements for occupancy by Qualified Tenants in the event of a partial loss of the Property as provided in Section 1.1(o)(3) hereof.

(b) If RTC shall have contracted with the Agency for the performance of its responsibilities hereunder, the Agency shall execute the appropriate release and/or modification to this Agreement in the name of RTC in accordance with the terms of subsection (a) of this Section 4.7, and shall provide appropriate evidence to Owner of its authorization so to act in the name of RTC.

ARTICLE V

Representations and Warranties of Owner

Section 5.1. Representations and Warranties. Owner represents and warrants to RTC that:

(a) Valid Execution. Owner has validly executed this Agreement and the same constitutes the binding obligation of Owner. Owner has full power, authority and capacity (i) to enter into this Agreement, (ii) to carry out Owner's obligations as described in this Agreement and (iii) to assume responsibility for compliance with all applicable federal rules and regulations, including, without limitation, the Regulations.

(b) No Conflict or Contractual Violation. To the best of Owner's knowledge the making of this Agreement and Owner's obligations hereunder:

(i) will not violate any contractual covenants or restrictions (A) between Owner or any third party or (B) affecting the Property;

(ii) will not conflict with any of the instruments that create or establish Owner's authority;

(iii) will not conflict with any applicable public or private restrictions;

(iv) do not require any consent or approval of any public or private authority which has not already been obtained; and

(v) are not threatened with invalidity or unenforceability by any action, proceeding or investigation pending or threatened, by or against (A) Owner, without regard to capacity, (B) any person with whom Owner may be jointly or severally liable, or (C) the Property or any part thereof.

(c) No Litigation. No litigation or proceedings are pending or, to the best of Owner's knowledge, threatened against Owner which if adversely determined could individually or in the aggregate have an adverse effect on title to or the use and enjoyment or value of the Property, or any portion thereof, or which could in any way interfere with the consummation of this Agreement.

(d) No Bankruptcy. There is not pending or, to Owner's best knowledge, threatened against Owner any case or proceeding or other action in bankruptcy, whether voluntary or otherwise, any assignment for the benefit of creditors, or any petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for Owner under any federal, state or other statute, law, regulation relating to bankruptcy, insolvency or relief for debtors.

Section 5.2. Indemnification. Owner agrees to indemnify and hold harmless RTC or the Agency from and against all liabilities, losses, claims, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by RTC or the Agency as a result of any material inaccuracy in any of the representations and warranties contained in Section 5.1.

ARTICLE VI

Enforcement and Remedies

Section 6.1. Remedies of RTC or the Agency.

(a) If Owner defaults in the performance of any of its obligations under this Agreement or breaches any covenant, agreement or restriction set forth herein, and if such default remains uncured for a period of sixty (60) days after notice thereof shall have been given by RTC or the Agency (or for an extended period approved in writing by RTC or the Agency if the default or breach stated in such notice can be corrected, but not within such 60-day period, unless Owner does not commence such correction or commences such correction within such 60-day period but thereafter does not diligently pursue the same to completion within such extended period), RTC or the Agency shall be entitled to apply to any court having jurisdiction of the subject matter for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Property in accordance with the terms of this Agreement, or for such other relief as may be appropriate, it being acknowledged that the beneficiaries of Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of Owner's default. RTC or the Agency shall be entitled to its reasonable attorneys' fees in any such judicial action in which RTC or the Agency shall prevail.

(b) Each right, power and remedy of RTC or the Agency provided for in this Agreement now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by RTC or the Agency of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by RTC or the Agency of any or all such other rights, powers or remedies.

Section 6.2. Remedies of Other Parties. The occupancy requirements set forth in Section 2.2 of this Agreement also shall inure to the benefit of, and may be judicially enforced against Owner by, affected Lower-Income Families and Very Low-Income Families. Any such party that prevails in any such judicial action shall be entitled to its reasonable attorneys' fees.

Section 6.3. Reliance Upon Information. In carrying out its obligations hereunder, Owner shall be entitled to rely upon information provided by RTC or the Agency with respect to (i) income limits applicable to Lower-Income Families and Very-Low Income Families, (ii) the method for calculating the incomes of such families and (iii) the maximum rents which may be charged to such families pursuant to Section 3.1 hereof.

ARTICLE VII

Miscellaneous

Section 7.1. Amendments. This Agreement may not be amended or modified except by written instrument signed by each party hereto.

Section 7.2. Notices. All notices required or permitted to be given under this Agreement must be in writing and will be deemed to have been duly given if delivered personally or mailed, postage prepaid, by registered or certified United States mail, return receipt requested, addressed to the parties at the following addresses:

If to RTC: Resolution Trust Corporation
801 17th Street, N.W.
Washington, DC 20434-0001
Attention: Director, Affordable Housing
Disposition Program

with copies to: Resolution Trust Corporation
801 17th Street, N.W.
Washington, DC 20434-0001
Attention: Senior Vice President,
Assets/Real Estate

Resolution Trust Corporation
801 17th Street, N.W.
Washington, DC 20434-0001
Attention: Assistant General Counsel, Real
Estate

Resolution Trust Corporation
1000 Adams Avenue
Norristown, PA 19403-2402
Attention: Helen Manogue, Affordable
Housing Disposition Specialist

If to Owner: Monmouth Housing Alliance
90 Monmouth Street
Red Bank, NJ 07701
Attention: _____

Any party may change its address for notice purposes by giving notice to the other parties in accordance with this Section 7.2.

Section 7.3. Entire Agreement. This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof.

Section 7.4. Governing Law. This Agreement, as it may affect the rights, remedies and obligations of RTC or the Agency, shall be governed by and construed in accordance with federal law. Insofar as federal law does not apply, the provisions of this Agreement shall be governed by and construed in accordance with the laws of the State.

Section 7.5. Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

Section 7.6. Binding Effect; Covenants Running with the Land. During the Term, this Agreement and the covenants, reservations and restrictions contained herein shall be deemed covenants running with the land for the benefit of RTC and its successors, and shall pass to and be binding upon Owner's heirs, assigns and successors in title to the Property, or if the Property shall not include title to land, but shall include a leasehold interest in land, this Agreement and the covenants, reservations et al shall bind the leasehold interest as well as the Property and shall pass to and be binding upon all heirs, assigns and successors to such interests; provided, however, that upon expiration of the Term in accordance with the terms hereof said covenants, reservations and restrictions

shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Property are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Property. Owner, at its cost and expense, shall cause this Agreement to be duly recorded or filed and re-recorded or refiled in such places, and shall pay or cause to be paid all recording, filing, or other taxes, fees and charges, and shall comply with all such statutes and regulations as may be required by law, in the opinion of qualified counsel, in order to establish, preserve and protect the ability of RTC or the Agency to enforce this Agreement.

Section 7.7. Counterparts. This Agreement and any amendments hereto may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

Section 7.8. Section Titles. Section titles and the table of contents are for descriptive purposes only and shall not control or limit the meaning of this Agreement as set forth in the text.

IN WITNESS WHEREOF, the undersigned have hereunto affixed their signatures and seals as of the date first above written.

SELLER:
RESOLUTION TRUST CORPORATION
in its capacity as Receiver
for First Atlantic Federal Savings
Association

By: [Signature]
Title: Attorney-in-Fact

OWNER: Monmouth Housing Alliance

By: [Signature]
Title: Richard J. Weber
Vice President and Attorney

Acknowledgements

STATE/Commonwealth of PENNSYLVANIA
COUNTY OF MONTGOMERY

SS:

On this 2nd day of February, 1994, before me personally came Linda H. Harrison, to me personally known to be the person described and appointed attorney-in-fact for the Resolution Trust Corporation in its capacity as Receiver/Conservator for First Atlantic Federal Savings Association, and acknowledged that s/he had executed the foregoing instrument as the act of the said Corporation.

Tanya H. Fuhrmeister
Notary Public

My Commission Expires: _____

[Seal]

NOTARIAL SEAL
TANYA H. FUHRMEISTER, Notary Public
Bridgeport Boro. Montgomery Co.
My Commission Expires Sept. 30, 1996

STATE/Commonwealth of NEW JERSEY
COUNTY OF MONMOUTH

SS:

On this 8th day of February, 1994, before me personally came Richard J. Weber, to me known, who being by me duly sworn, did depose and say that s/he resides at 3455 Route 66, Neptune, New Jersey; that s/he is the Vice President & Attorney of Monmouth Housing Alliance, the corporation described in, and which executed the above instrument; that s/he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that s/he signed her/his name thereto by like order.

Felicia R. Bonaime
Notary Public

My Commission Expires: _____

[Seal]

FELICIA R. BONAIME
Notary Public of New Jersey
My Commission Expires Jan. 12, 1999

APPENDIX G
SHADOWLAWN REDEVELOPMENT PLAN

Shadow Lawn Mobile Home Park Redevelopment Plan

Prepared for:

**The Borough of Highlands
Monmouth County, New Jersey**

October 16, 2018

Revised November 14, 2018

Prepared By:



Christopher N Dochney, PP, AICP
License No. 06225



Maryann Bucci-Carter, PP, AICP
License No. 04905

The original document was appropriately signed and sealed in accordance with NJAC 13:41

Borough of Highlands



Mayor and Council

Rick O'Neil – Mayor
Carolyn Broullon – Council President
Claudette D'Arrigo
Ken Braswell
Rosemary Ryan

Land Use Board

Andrew Stockton - Chairman
Rob Burton – Chief of Police
Rick O'Neil – Mayor
Ken Braswell – Councilman
Frank Nolan
Chris Francy
Rob Knox
Larry Colby
Art Gallagher
Christian Lee – Alternate
Frank Montecalvo – Alternate

Nancy O'Neil – Board Secretary
Greg Baxter – Board Attorney

Kim Gonzales – Borough Administrator
Brian J. Chabarek – Borough Attorney

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INTRODUCTION

Redevelopment is the process of rebuilding a previously developed area that has fallen into a state of disrepair and has become detrimental to the general welfare of the community. This can involve the acquisition and demolition of existing structures and facilities if needed to make way for new improvements. Redevelopment planning is the process of determining how the redevelopment of particular properties can best improve a community, and to use local government powers to encourage development and growth where it otherwise would be unlikely to happen.

New Jersey laws allow for a municipality to utilize redevelopment as a tool to stimulate economic development and improve conditions on properties that meet certain statutory criteria that qualify them as being '*in need of redevelopment*.' Redevelopment as a planning instrument offers a number of potential benefits to the Borough. Through redevelopment, the Borough is allowed more flexibility to negotiate with, and offer financial incentives such as long-term tax abatements to potential developers, than is otherwise available through standard land development procedures. Under redevelopment the Borough can take a more proactive approach to improving targeted areas. This can be used as a means to stimulate development where it might not occur through market forces and private capital alone.

In December of 2016, the Mayor and Council of the Borough directed the Land Use Board, in Resolution 16-228, to undertake an investigation of the area of Block 105.107, Lot 1.1, the Shadow Lawn Mobile Home Park on Ocean Boulevard, to determine if it met the statutory criteria as found in N.J.S.A. 40A:12A-5 to be designated as an Area in Need of Redevelopment. The Land Use Board after conducting the required investigation and holding a public hearing, recommended that the area met the statutory criteria. The Mayor and Council accepted this recommendation in Resolution 18-069, that the area was found to meet the necessary statutory criteria, and the site was designated as an Area in Need of Redevelopment in March of 2018.

This Plan provides a detailed guide for the revitalization of this property. It shall serve as the formal planning and zoning regulatory document to establish permitted land uses, building and dimensional standards, and design standards for all development within the Area.

STATUTORY REQUIREMENTS

This Plan and the provisions herein have been prepared pursuant to Section 7 of the Local Redevelopment and Housing Law (LRHL) (N.J.S.A. 40A:12A-7), which provides that “no redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body, upon its finding that the specifically delineated project area is located in an area in need of redevelopment...according to criteria set forth in section 5...as appropriate.” Pursuant to the requirements of the LRHL, this Redevelopment Plan includes an outline for the planning, development, redevelopment, or rehabilitation of the redevelopment area sufficient to indicate:

1. Its relationship to definite local objectives as to appropriate land uses, density of population and improved traffic and public transportation, public utilities, recreational and community facilities, and other public improvements.
2. Proposed land uses and building requirements in the redevelopment area.
3. Adequate provision for the temporary and permanent relocation, as necessary, of residents in the redevelopment area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market.
4. An identification of any property within the redevelopment area proposed to be acquired in accordance with redevelopment plan;
5. Any significant relationship of the redevelopment plan to:
 - (a) The Master Plans of contiguous municipalities;
 - (b) The Master Plan of the County in which the municipality is located, and;
 - (c) The State Development and Redevelopment Plan (the “SDRP”) adopted pursuant to the “State Planning Act,” P.L. 1985, c.398 (C.52:18A-196 et al.).
6. As of the date of the adoption of the resolution finding the area to be in need of redevelopment, an inventory of all housing units affordable to low and moderate income households, as defined pursuant to section 4 of P.L.1985,c.222 (C.52:27D-304), that are to be removed as a result of implementation of the redevelopment plan, whether as a result of subsidies or market conditions, listed by affordability level, number of bedrooms, and tenure.
7. A plan for the provision, through new construction or substantial rehabilitation of one comparable, affordable replacement housing unit for each affordable housing unit that has been occupied at any time within the last 18 months, that is subject to affordability controls and that is identified as to be removed as a result of implementation of the redevelopment plan. Displaced residents of housing units provided under any State or federal housing subsidy program, or pursuant to the “Fair Housing Act,” P.L.185,c.222 (C.52:27D-301 et

al.), provided they are deemed to be eligible, shall have first priority for those replacement units provided under the plan; provided that any such replacement unit shall not be credited against a prospective municipal obligation under the "Fair Housing Act," P.L.185,c.222 (C.52:27D-301 et al.), if the housing unit which is removed had previously been credited toward satisfying the municipal fair share obligation. To the extent reasonably feasible, replacement housing shall be provided within or in close proximity to the redevelopment area. A municipality shall report annually to the Department of Community Affairs on the progress in implementing the plan for the provision of comparable, affordable replacement housing required pursuant to this section.

The LRHL provides that "a redevelopment plan may include the provision of affordable housing in accordance with the "Fair Housing Act," P.L. 1985, c.222 (C.52:27D-301 et al.) and the housing element of the municipal master plan." Finally, the Plan is required to describe its relationship to pertinent municipal development regulations, and must note whether the provisions of the Plan supersede applicable provisions of the development regulations of the municipality or constitute an overlay zoning district.

DESCRIPTION OF REDEVELOPMENT AREA

The Area governed by this Redevelopment Plan includes the following tax parcels:

- Block 105.107, Lot 1.1

The Redevelopment Area Boundary map on the following page illustrates the extents of the lands governed by this Redevelopment Plan. The area is located on Ocean Boulevard, just north of Route 36 in the western end of the Borough on top of the hill overlooking Sandy Hook Bay. The 13.1 acre site is currently developed with the Shadow Lawn Mobile Home Park, which consists of approximately 100 mobile home dwellings, and a small apartment building, organized around a single street named Laurel Drive. One narrow driveway provides access to the site from Ocean Boulevard, while an exit only driveway provides access to Route 36 on the eastern end of the site.

Geographically located on Sandy Hook Bay, most of the Borough of Highlands sits just above sea level. However this site sits near the top of a steep cliff which rises 120 feet above sea level. Immediately to the north and west of the area is the Eastpointe Condominium tower, a 16 story residential building, which contains approximately 165 dwelling units and associated parking. Further west along Ocean Boulevard is the Mt. Mitchill Scenic Overlook Park which provides views of the Raritan and Sandy Hook Bays, and to New York City to the north. Just to the south of the area is a CVS pharmacy and a Quick Check gas station and convenience store on Route 36. To the east of the area and down the hill are residential neighborhoods made up primarily of detached single-family homes.

Slopes within the Atlantic Highlands region of Monmouth County are susceptible to rainfall induced shallow landslides, and are being actively monitored by the United States Geological Survey (USGS) for slope movement, rainfall, soil moisture, and other hazardous conditions that could destabilize the slopes. The Redevelopment Area, being located at the top of the coastal bluff overlooking Sandy Hook Bay, is made up of slump block and is susceptible to these types of landslides. The topography of this ridgeline creates slopes in excess of 20 percent over much of the property. There have also been a number of landslides recorded along the bluffs in the region which have resulted in significant property damage.

Redevelopment Site Map

Highlands, N.J.



Shadow Lawn Mobile
Home Redevelopment
Distinctive Characteristics Map

Highlands Borough
Monmouth County
New Jersey

Legend

Redevelopment Area

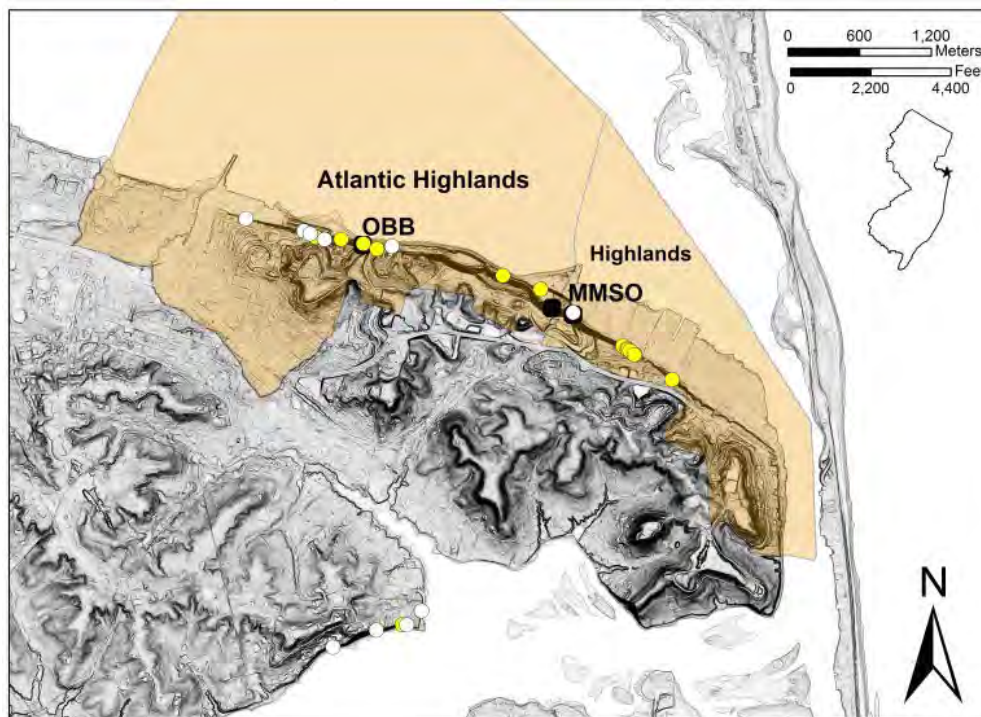
Source: NJDOT



3141 BORDENTOWN AVENUE, PARLIN, N.J. 08859
1400 ROUTE 9 SOUTH BOWLING, N.J. 07731
3709 ROUTE 1 SOUTH SUITE 100, MONMOUTH JUNCTION, NJ 08852
ONE MARKET STREET SUITE 100, CAMDEN, NJ 08102

WWW.CMEASSOCIATES.COM

DATE	SCALE	LAST REVISED	CREATED BY
7/20/2011	1 inch = 100 feet	7/20/2011	AM



Location of historic landslides in the Atlantic Highlands Region (from NJGWS database)

RELATIONSHIP TO LOCAL OBJECTIVES

This Plan provides standards to facilitate the redevelopment of the site known as the Shadow Lawn Mobile Home Park, into a mixed use area that provides a multitude of residential and commercial opportunities for the community. The objectives of the Redevelopment Plan are as follows:

1. Encourage new development activity and economic opportunity for the Borough.
2. Stimulate the redevelopment of underutilized land in a manner that will complement and capitalize on the unique topography and geographic location of the area.
3. Provide for flexibility and creativity with respect to design of buildings and improvements within the Redevelopment Area while ensuring that the aesthetics of redevelopment projects are of a high standard.
4. Redevelop the property in a manner that will minimize the hazards posed by the threat of landslides on the bluff, and protect critical environmental resources.
5. Develop new housing options to attract new residents to the Borough of Highlands which will help to support businesses in the area.
6. Provide new opportunities for affordable housing for area residents.
7. Allow for new commercial development to serve the needs of the community.
8. Provide for the redevelopment of the Area in a manner consistent with the Borough's Master Plan Land Use Plan Element.

The Redevelopment Plan objectives articulated above are consistent with and seek to advance the goals of the Borough's Master Plan Reexamination Report, and the State Development and Redevelopment Plan, as discussed herein.

LAND USE PLAN

Relationship to the Borough's Zoning and Land Development Regulations

In order to implement the Plan consistent with the objectives herein, the Redevelopment Area shall be developed in accordance with the standards detailed in this Redevelopment Plan. Except where otherwise noted, this Plan shall supersede the underlying zoning regulations including use, bulk, and design standards of the Borough's Land Use Ordinance as they relate to the area governed by this Redevelopment Plan. The definition of terms found in the Borough's Land Use Ordinance shall apply unless otherwise noted herein.

All development within the Redevelopment Area must be approved by the Land Use Board of the Borough of Highlands, and shall be submitted following the normal subdivision and site plan submission and review procedures as found in N.J.S.A. 40:55D-1 et seq, and those within the Borough's Land Use Ordinance.

Land Use and Building Requirements

Compliance with the following standards shall be treated as zoning requirements. Any deviation from these standards that would result in a "d" variance as per N.J.S.A. 40:55D-70.d of the municipal land use law, shall be addressed as an amendment to the Plan. The Land Use Board shall not have the authority to allow deviations from these standards which would result in a "d" variance.

The Land Use Board shall have the authority to grant any deviations from these standards which would result in a "c" variance, as per N.J.S.A. 40:55D-70.c, to the same extent that they may grant relief from such standards under normal subdivision and site plan review processes.

Land Use Regulations

The intent and purpose of these land use regulations are to allow for a flexible redevelopment of the site with a potential range of residential uses, from single-family detached dwellings to mid-rise multi-family dwellings, and also to permit appropriate complementary commercial uses that could take advantage of the scenic views offered by the location at the top of the bluff.

Definitions

Critical Slope Area – Any topographic slope of fifteen percent (15%) or greater.

All other definitions used within the Borough's Land Use Ordinance shall apply.

Permitted Principal Uses

The following uses are permitted as principal uses within the Redevelopment Area:

Residential Uses:

- Single-family detached dwellings
- Two-family dwellings
- Townhouses
- Multi-family dwellings

Public Uses:

- Municipal facilities and essential services
- Public parks and recreation spaces

Commercial Uses

- Retail sales and services
- Restaurants, bars, taverns, and other eating establishments
- Professional, administrative, and business offices

Other Uses:

- Any other use which is substantially similar in nature to the uses listed as permitted principal uses.
- Mixed-use buildings consisting of any combination of the above listed permitted uses

Conditionally Permitted Uses

The following uses are permitted as conditional uses, with the required conditions for approval noted below:

- Hotel
 - a. Minimum Lot Area shall be 5 acres.
 - b. Each unit for rental shall have a minimum gross floor area of 350 square feet.
 - c. An off-street drop off area shall be provided for guests checking in and out.
 - d. A restaurant, tavern, or bar shall be permitted as an accessory use to a hotel, subject to additional parking being provided at the ratio according to the parking requirements listed in this Plan.
- Bed and Breakfast
 - a. Minimum Lot Area shall be 10,000 square feet.
 - b. With the exception of minimum lot area, all standards for a single or two family dwelling shall be met.
 - c. An off-street drop off area shall be provided for guests checking in and out.
 - d. The service of food shall be limited to guests of the establishment only.

Prohibited Uses

- Industrial Uses
- Take Out Restaurants
- Gas stations/Automobile Service Stations
- Automobile Repair Garages
- Automobile sales
- Drive-thru facilities

Permitted Accessory Uses

- Off-street surface parking lots;
- Structured parking garages;
- Signs;
- Utility buildings which are incidental to residential uses;
- Residential clubhouses or common recreation areas;
- Any other use or structure that is deemed by the Land Use Board to be customary, incidental, and accessory to the principal uses or structures permitted herein.

Area, Yard, and Building Requirements

Except where otherwise noted, the following area requirements shall apply to all development within the Redevelopment Area:

Single-family or two-family dwellings:

- Minimum Lot Area – 5,000 square feet per dwelling
- Minimum Front Yard Setback – 20 feet
- Minimum Side Yard Setback – 8 feet
- Minimum Rear Yard Setback – 30 feet
- Maximum Building Height – 2.5 stories or 35 feet
- Maximum Building Coverage – 30 percent

Townhouses:

- Minimum Lot Area – 2,000 square feet per dwelling
- Max number of units per structure – 5 dwellings
- Minimum Front Yard Setback – 12 feet
- Minimum Side Yard Setback – 15 feet
- Minimum Rear Yard Setback – 30 feet
- Maximum Building Height – 3 stories or 40 feet
- Maximum Building Coverage – 50 percent

Multi-family dwellings, or mixed-use buildings which contain residential uses:

- Minimum Front Yard Setback – 25 feet
- Minimum Side Yard Setback – 25 feet
- Minimum Rear Yard Setback – 50 feet
- Maximum Building Height – 10 stories or 125 feet
- Maximum Building Coverage – 50 percent

All other permitted uses:

- Minimum Front Yard Setback – 25 feet
- Minimum Side Yard Setback – 25 feet
- Minimum Rear Yard Setback – 60 feet
- Maximum Building Height – 3 stories or 40 feet
- Maximum Building Coverage – 35 percent

Overall Density Requirements:

- The maximum permitted residential density over the entire Redevelopment Area shall not exceed 30 dwelling units per gross acre.
- For the purposes of calculating residential density, if any hotel or bed and breakfast is proposed within the Redevelopment Area, each guest room shall be considered a residential dwelling unit.

Multi-family Residential Minimum Unit Floor Area Requirements:

- Studio apartment – 400 square feet
- One bedroom apartment – 550 square feet
- Two bedroom apartment – 700 square feet
- Three bedroom apartment – 900 square feet

Accessory Structure Requirements

- No accessory structures shall be permitted within the required front yard area.
- The minimum required rear and side yard setbacks for an accessory structure shall be one-half that of the principal structure.
- The maximum permitted height of any accessory structure shall be 15 feet.

Additional Requirements

- Commercial uses shall be permitted only as a part of a planned mixed-use development which includes residential uses.

- Commercial uses shall be limited to occupying no greater than 25 percent of the Redevelopment Area. This shall include any structures and associated parking, circulation, or accessory uses and facilities with any non-residential use.
- The maximum total floor area of all commercial uses within the Redevelopment Area shall not exceed 25,000 square feet.
- The permitted impervious coverage anywhere within the Redevelopment Area shall be subject to the review and approval of the Land Use Board Engineer, and/or any qualified professional retained by the Land Use Board or the Borough to review any redevelopment applications for this Area.
- All impervious coverage shall be the minimum necessary to effectuate the goals of this Redevelopment Plan, and shall be designed with the intent to minimize detrimental impacts to the stability of the slopes within the site.
- More than one permitted principal use or structure may be permitted on a single lot. In such an instance the minimum separation between buildings shall be as follows:
 - a. For buildings of 1-3 stories in height: 25 feet
 - b. For buildings of 4-6 stories in height: 50 feet
 - c. For buildings of 7 stories in height or greater: 75 feet
- Where more than one principal use is proposed on a site, the bulk standards for each use shall apply separately.
- A landscaped buffer of at least 50 feet in width shall be provided for any development which will abut a residential property or residentially zoned property.
- A landscaped buffer of 50 feet in width shall be provided along the frontage of Ocean Drive.

Off-Street Parking Requirements

Off-street parking shall be provided on site for each use at the following ratios:

Use	Parking Requirement
Single-family dwellings	2 spaces / dwelling
Two-family dwellings	2 spaces / dwelling
Townhouses	2 spaces / dwelling
Multi-family dwellings	1.7 spaces / dwelling unit
Municipal Facilities	1 space / employee on maximum shift
Professional, Administrative, Business Offices	1 space / 300 square feet gross floor area
Public Parks and Recreation	At the discretion of the Land Use Board
Retail Sales and Services	1 space / 250 square feet of gross floor area
Restaurants, Bars, Taverns, Eating Establishments	1 space / 3 seats
Hotel	1.2 spaces / sleeping room
Bed and Breakfast	1 space / guest room + 2
Any other use	At the discretion of the Land Use Board

Where any required parking calculation results in a fraction of a parking space, the required amount of off-street parking shall be rounded up to the nearest whole number of parking spaces.

Critical Slope Areas

Given the nature of the slump block of the ridgeline and bluffs of the Redevelopment Area, special consideration shall be given to protection of the slopes in any grading, soil disturbance, and stormwater management plans. Any application for development or redevelopment within the Redevelopment Area shall include a geotechnical report and feasibility study prepared by a qualified professional engineer that has demonstrated experience in analysis of slump block areas and landslide prone areas from prior projects. The report shall contain at minimum the following information:

- A review of relevant previous professional studies and reports regarding slump blocks and landslides within the Area, including:
 - Slump Blocks in the Atlantic Highlands of New Jersey, by James P. Minard (1974)
 - Report of Atlantic Highlands-Highlands, Environmental Impact Statement, by Converse Ward Davis Dixon, (1978), provided in Appendix D.
 - USGS Landslide Monitoring in the Atlantic Highlands Area, New Jersey (active)
- An analysis of the soil conditions within the Redevelopment Area, and their suitability to support any proposed development.
- An analysis of the potential impacts of construction activity on the stability of the soils and the slopes.
- A detailed plan to protect and stabilize the slopes prior to, during, and after construction of any development project.
- An analysis of the impacts of stormwater on the stability of the soils and slopes on site.
- A detailed plan to minimize any potential impacts of stormwater on the stability of soils and slopes on the site.
- The geotechnical report and related plans shall be subject to the review and approval of the Board Engineer, and/or any other qualified geotechnical professional retained by the Borough or the Land Use Board for the purposes of reviewing any redevelopment applications within the Redevelopment Area.
- It shall be the developer's obligation to bear the cost of any Geotechnical Engineering expert retained by the Land Use Board, via application escrow.

Critical slope areas shall have the following protections:

- Except as otherwise noted herein, all development shall conform to the standards of the Borough's Steep Slopes and Slump Blocks Ordinance, found in §21-84B of the Zoning Ordinance.
- A redeveloper shall demonstrate that the disturbance of any critical slope area is necessary for the proposed development of the site.

- A redeveloper shall demonstrate that non-critical areas have been utilized to the maximum extent reasonably practicable, and that disturbance of critical slope areas has been minimized.
- Appropriate revegetation and landscaping of any disturbed critical slope areas shall be provided to help to adequately stabilize the slope in accordance with best practices for soil conservation and stormwater management techniques.
- No drainage shall be permitted to flow overland down critical slope areas, and all drainage shall be designed to minimize any impacts to existing down gradient facilities.

Design Standards

The following standards are intended to provide guidance in regards to the aesthetics of buildings, landscaping, and other site amenities and design features in order to encourage a high standard of development.

Any deviation from the following Design Standards of this Redevelopment Plan shall be treated as a design waiver. The Land Use Board shall have the authority to grant design waivers as an exception to these standards if it finds that the proposed conditions are satisfactory, and will generally advance the purposes of this Redevelopment Plan, without any substantial detriment to the public welfare or the intent of this Plan.

Redevelopment of the Area shall comply with the following design standards:

General Design Standards

- The design of buildings and landscaping within the Redevelopment Area shall be considerate of the site's prominent location as a potentially highly visible gateway into the Borough of Highlands. Attention should be given to the aesthetics of the building and site design as it would be visible from Route 36, within the site itself, and from the rest of the Bough at the bottom of the cliffs, or from Sandy Hook. All buildings and landscaping shall be designed to be attractive from each of these points of view.
- Buildings shall be designed using a color palette that complements the architectural context of the surrounding area.
- The visual impact of any parking facilities, or other accessory structures or uses shall be minimized to the greatest extent feasible.
- Blank, or featureless walls shall be avoided.

Architectural Design Standards

- Primary exterior building materials shall be wood, brick, stone, stucco, metal, glass, or other similarly durable and attractive materials.
- Exterior building walls shall be consistent in their quality and finish on all elevations visible from a public right-of-way.
- Buildings which have a horizontal width of greater than 100 feet shall be designed so as to visually separate the proportions into vertical segments.
- No building shall have a wall with an uninterrupted length of more than 60 feet without including a change in the vertical plane of the facade. This may be achieved through any one or combination of the following:
 - Pilasters, bay windows, building step-backs, and other façade recesses or projections.
 - The step-back or projection shall be a minimum of 18 inches from the primary building façade.

- The changes in the building façade plane shall occur over at least two stories of a building which is 3 stories in height or greater. For buildings less than 3 stories in height, the change may occur on only a single story.
- If exterior shutters are used, they shall be sized and mounted to fit their window opening, whether or not they are actually operable.

Landscaping and Fence Design Standards

- Sidewalks of at least 5 feet in width shall be provided along the frontage of all streets within and adjacent to the Redevelopment Area.
- Sidewalks of at least 5 feet in width shall be provided to provide access between any proposed Redevelopment Project and the public right-of-way.
- Where the foundation of a building is exposed, it shall be screened by plant materials.
- Shade trees shall be required along the frontage of any public right-of-way, or any private access road within the Redevelopment area.
- Shade trees shall be located within 10 feet of the curb, and spaced no greater than 40 feet apart.
- Shade trees shall be a deciduous species which is native to the Monmouth County region.
- Shade trees shall have a minimum caliper of 2.5 inches at the time of planting.
- No chain link fences shall be permitted.
- Barbed wire, razor wire, or other such materials are prohibited on any fence within the Redevelopment Area.
- Fences in a front yard area shall have a maximum height of 4 feet.
- Fences in a side or rear yard area shall have a maximum height of 6 feet.
- Retaining walls shall be constructed of a material which will complement the design of buildings and landscaping on the site.
- Where a buffer is required, it shall be made up of a mixture of dense evergreen planting materials of sufficient quantity and shape to effectively visually screen the Redevelopment Area from adjacent land uses.

Parking and Circulation Design Standards

- Loading and service areas shall be located to the side or rear of a building, and shall be screened from public view.
- Parking lots or structured parking garages shall be located interior to the site, and shall be screened from public view.
- Parking lots shall be surrounded by any combination of a garden wall, fence, or landscaping of a minimum height of 3 feet.
- Structured parking garages shall be designed to be visually integrated with the building(s) they are intended to serve. The architectural style, materials, and massing should complement the building(s).

- Circulation design shall be provided in accordance with the standards of the Borough's Land Use Ordinance.

Lighting Standards

- The maximum height of any freestanding light shall be 15 feet, or the height of the principal structure on the property, whichever is lesser.
- All lighting shall include shields and shall be directed towards the site.
- All lighting shall be provided in accordance with the standards of the Borough's Land Use Ordinance.

Mechanical Equipment and Utilities Standards

- All mechanical equipment shall be located internally within a building, or to the side or rear of a principal building and shall be screened from public view.
- Where feasible, utilities shall be located underground.
- Utility meters shall be located internally within a building, or to the side or rear of a principal building, and shall be screened from public view.
- Trash and recycling storage facilities shall be located within each principal building.
- Permanent outside storage of trash or recyclable materials shall be prohibited.

Signage Standards

- All signage shall be in accordance with the Borough's Land Use Ordinance.

RELATIONSHIPS TO OTHER PLANS

Borough of Highlands Plans

Pursuant to the LRHL, “all provisions of the Redevelopment Plan shall be either substantially consistent with the municipal master plan or designed to effectuate the master plan.” (N.J.S.A. 40A:12A-7d).

Borough of Highlands Master Plan Reexamination Report (2016)

The Borough’s Master Plan was adopted in 2004. The Borough adopted its most recent reexamination report of the Master Plan in December of 2016. The following goals and objectives of the Master Plan have a relationship to this Redevelopment Plan:

- To meet the needs of the Borough with the creation of mixed use development of exceptional design quality, a waterfront destination for activity and relaxation.
- A redeveloped community offering homes, employment, services, civic spaces, and leisure in a quality environment which will form part of the established communities of the Bayshore Region.
- To protect the existing natural resource base through sensitive design, energy efficiency, sustainable waste management, and to minimize the impact on the local environment.
- Strive to increase the percentage of owner-occupied housing in the Borough.
- Require that infill development be compatible with the neighborhood and conform to the setbacks of existing buildings on the block.
- Create attractive gateways at the principal entrances to the Borough through upgraded land uses, streetscape improvements, and signage.
- Encourage redevelopment in areas that need rehabilitation or improvement.
- Capitalize on the economic resources represented by Sandy Hook, Route 36, the Twin Lights, the New York Ferry, and the physical attractiveness of the area.
- Encourage neighborhoods to improve their aesthetic appeal and identity.

The Master Plan Reexamination included a specific discussion for Shadow Lawn Mobile Home Park:

- This is one of the few tracts of land left for development in the Borough. The Borough’s 2016 Housing Element references this site as a potential location to include affordable housing in a development. It is a recommendation of this report to create a new mixed use zoning district consisting of this lot to encourage the redevelopment of the site, taking into consideration its proximity to Route 36 and multi-family zone districts, and its location of top of the hill.

- The Shadow Lawn Mobile Home Park should be rezoned to a mixed use district which would permit multi-family housing at a density of 30 units per acre, as well as restaurants, retail space, and office uses.
- The Land Use Plan Map, identifies the lands within this Redevelopment Area as being proposed for mixed use development.

In addition to general land use goals and recommendations, the Plan noted issues with regard to the stability of the slopes on which the site is located. The Plan recommends that the Borough review and update their steep slope protection ordinances, and work with the US Geological Survey to mitigate any issues of erosion and slumping of cliffs.

This Plan is intended to carry out the recommendations of the Master Plan Reexamination Report by creating new use, dimension, and design regulations specific to the Shadow Lawn Mobile Home Park.

[Highlands Borough Housing Element and Fair Share Plan \(2016\)](#)

The Borough's Housing Element and Fair Share Plan (HEFSP) indicates that based on a preliminary report issued by the Superior Court's appointed Regional Master, Richard Reading, that the Borough must provide 55 affordable housing units to meet its Round 3 (1999-2025) affordable housing fair share obligation. However, the Superior Court, Monmouth County Vicerage, has yet to make a legal determination as to the Borough's fair share obligation for the Prior Round (1987-1999) or the Borough's Round Three obligation. The Plan specifically notes that this site has the potential to be rezoned and developed with a mixed use development. The Plan notes show that if the site were to be developed with multi-family housing, with an affordable housing set aside of 15% of units for rentals, or 20% of units for for-sale, the site could produce approximately 16-25 units of affordable housing for the Borough. The HEFSP included the potential for 16 units on the site through inclusionary development to address this need as part of the mechanisms identified to bring the Borough into compliance with fair share housing requirements.

This Redevelopment includes an affordable housing requirement, and will implement the recommendations of the Housing Element and Fair Share Plan to help the Borough reach its fair share affordable housing goals.

Monmouth County Plans

Monmouth County Master Plan (2016)

The Monmouth County Master Plan includes the following goals and objectives which are relevant to this Plan:

- Promote beneficial development and redevelopment that continues to support Monmouth County as a highly desirable place to live, work, play, and stay.
- Encourage the redevelopment and revitalization of highway commercial corridors that incorporate multi-purpose uses, higher design standards, are located outside Special Flood Hazard Areas, and improve circulation both on and off-site.

The Plan also identifies Highlands Borough as a priority growth reinvestment area, which is an area that the County wishes to highly encourage intense development, redevelopment, revitalization, and hazard mitigation investments.

This Plan will further the goals of the County Master Plan.

Bayshore Region Strategic Plan (2006)

The Monmouth County Planning Board adopted the Bayshore Region Strategic Plan in September of 2006. This document provides an assessment of existing conditions and makes recommendations for land use and economic development for all of the communities which lie along the Raritan and Sandy Hook Bays in the northern end of the County. The plan identifies the area on Route 36 near the site as a strategic gateway into Highlands Borough, and recommends creating a center of activity around the intersection of Route 36 and Linden Avenue.

This Plan will contribute to the development of this site as an attractive gateway into the Borough, and help to transform the area into a center for activity along Route 36.

State Plans

State Development and Redevelopment Plan (2001)

The State Plan Policy Map and State Development and Redevelopment Plan (SDRP) classify the Redevelopment Area as being within the Metropolitan Planning Area (PA-1). The Metropolitan Planning Area is made up of existing urban centers and post-war suburbs that have strong ties to a major metropolitan center. The intention of the State Plan is that the majority of future growth and redevelopment be directed to lands within Planning Areas 1 and 2. These areas have the available infrastructure to support compact growth and development, and by directing growth to these areas, the character of existing communities can best be protected.

The goals, objectives, and provisions of this Redevelopment Plan are intended to guide the revitalization of the Redevelopment Area in a manner consistent with the State Plan policies established for the Metropolitan Planning Area in which the Redevelopment Area is located. These goals are advanced by redeveloping lands in an area with existing infrastructure capacity.

Draft State Strategic Plan (2011) – not officially adopted

The State Strategic Plan was developed in 2011 as an update to the State Development and Redevelopment Plan, however it has not as of yet been officially adopted. The goals of this Draft Plan included:

- Enhance opportunities for attraction and growth of industries of statewide and regional importance.
- Guide and inform regional planning so that each region of the State can experience appropriate growth according to the desires and assets of that region.
- Ensure that strategies for growth include preservation of our State's critical natural, agricultural, scenic, recreation, and historic resources, recognizing the role they play in sustaining and improving the quality of life for New Jersey residents and attracting economic growth.
- The State Strategic Plan lists all areas that located within the Metropolitan Planning Area (PA-1) of the State Development and Redevelopment Plan, as being within "priority growth investment areas" where public and private investment to support development and redevelopment should be encouraged and supported.

Other Plans

Master Plans of Contiguous Municipalities

The Redevelopment Area is located in the western end of the Borough, and is adjacent to the Borough of Atlantic Highlands, and the Township of Middletown.

The Borough of Atlantic Highlands most recently adopted a Master Plan in May of 2006, and last revised the Plan in August of 2007. The Plan notes that future land uses for the areas adjacent to Highlands Borough are currently zoned for and used as single-family residences, and no changes are proposed for this land use pattern.

Middletown Township sits directly across Route 36 from the Redevelopment Area. The areas of Middletown adjacent to Route 36 are currently developed with low-density single family dwellings. The Township adopted a Master Plan Reexamination Report in August of 2014. The future land use map of the Plan identifies these areas to remain as single family dwellings, and further west of the Area multi-family dwellings are proposed.

This Plan proposes a mix of residential and commercial uses which will complement the surrounding the residential communities both within Highlands Borough and the adjacent municipalities.

ADMINISTRATIVE AND PROCEDURAL REQUIREMENTS

Acquisition and Relocation

The Area governed by this Redevelopment Plan is a Non-Condemnation Redevelopment Area. The use of eminent domain for the acquisition of property is not authorized by this Plan. Provisions for the acquisition of property will not be required. However, the Redevelopment Area contains residential uses, as there are approximately 100 mobile home units on the site. It is estimated that approximately 50 units are occupied at the present time. Provisions for providing relocation assistance for any current residents of the mobile home community will be necessary.

The Borough and/or the redeveloper will provide relocation assistance to all residents pursuant to applicable State and Federal laws as necessary.

Any approval for development which would result in the retirement of the mobile home park or the removal of any residents of the mobile home park shall condition such an approval that the applicant or redeveloper provide proof, to the satisfaction of the Land Use Board, that adequate private residential facilities and circumstances exist for the relocation of those residents consistent with the requirements of N.J.S.A. 46:8C-21. Although N.J.S.A. 46:8C-21 is invoked by an application for one (1) or more variance(s), the requirements of N.J.S.A. 46:8C-21 shall apply to the aforementioned circumstances regardless of whether or not the application requires one (1) or more variance(s). For purposes of this chapter, "adequate private residential facilities and circumstances" shall share the definition of "comparable housing or park site" as provided in N.J.S.A. 2A:18-61.7(a). A redeveloper must provide proof of compliance with this paragraph to the Land Use Board prior to obtaining final approval. This Section is not severable from the other provisions of the chapter and the zoning modifications herein are conditioned upon the above relocation provision.

Inventory and Replacement of Affordable Housing

The Redevelopment Area governed by this Redevelopment Plan contains no housing units previously identified as affordable to low and moderate income households, as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304). No deed restricted affordable units for which the Borough is eligible to receive affordable housing credits pursuant to the Fair Housing Act and its implementing regulations, including Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. Seq., will be removed as a result of implementation of this Redevelopment Plan. For that reason, the Borough is not required to plan for the provision of new or substantially rehabilitated affordable housing as a result of the implementation of this Redevelopment Plan.

This Redevelopment Plan however does require that affordable housing units as defined in Section 4 of P.L.1985, c.222 (C.52:27D-304), be included within any residential development to assist in meeting the Borough's fair share affordable housing obligations.

[Amending the Redevelopment Plan](#)

Upon compliance with the requirements of applicable law, the Borough Mayor and Council may amend, revise, or modify this Redevelopment Plan in general or for specific properties within the Redevelopment Area as circumstances may make such changes necessary and appropriate. The review and approval of any proposed amendments shall be undertaken in accordance with the procedures set forth in the LRHL. Any proposed changes in the Land Use Plan, including changes to permitted uses, building height, building setbacks, parking requirements, or other bulk standards, shall require notice and public hearings in a manner similar to the adoption of the original Plan.

[Redevelopment Powers](#)

The Borough may use any and all redevelopment powers granted to it pursuant to the LRHL to effectuate this Plan, except that the use of eminent domain shall be prohibited. The Borough may enter into agreements with a designated redeveloper(s) in connection with the construction of any aspect of the Redevelopment Plan, including off-site improvements.

[Conveyance of Land](#)

The Borough may sell, lease, or otherwise convey to a redeveloper for redevelopment, subject to restrictions, controls and requirements of the Redevelopment Plan, all or any of the properties designated in need of redevelopment within the Redevelopment Area of this Plan that it owns or may acquire via means other than eminent domain. The Borough may also use its redevelopment powers pursuant to the LRHL to enter into other agreements with a designated redeveloper or redevelopers in connection with the implementation of the Redevelopment Plan.

[Duration of the Plan](#)

The Redevelopment Plan, as it may be amended from time to time, shall be in full force and effect upon its adoption by ordinance by the Borough of Highlands Mayor and Council, and shall be in effect until the Mayor and Council shall by ordinance adopt new regulations to supersede those found in this Redevelopment Plan.

REDEVELOPER OBLIGATIONS

Redevelopment under the terms of this Redevelopment Plan shall only be undertaken pursuant to a redevelopment agreement entered into between the Borough, acting as the Redevelopment Agency, and a designated redeveloper. The following restrictions and controls on redevelopment shall apply notwithstanding the provisions of any zoning or development ordinance or other regulations now or hereafter in force:

- The redeveloper will be obligated to carry out the specified improvements in accordance with this Redevelopment Plan.
- The redeveloper, its successors or assignees, shall develop the Redevelopment Area in accordance with the uses and building requirements specified in the Redevelopment Plan.
- Until the required improvements are completed and a certificate of completion is issued, the redeveloper covenants provided for in N.J.S.A. 40A:12A-9 and imposed in any redevelopment agreement, lease, deed or other instruments shall remain in full force and effect.
- The redevelopment agreement(s) shall contain provisions to assure the timely construction of the redevelopment project, the qualifications, financial capability and financial guarantees of the redeveloper(s) and any other provisions necessary to assure the successful completion of the project.
- The redevelopment agreement(s) shall provide provisions requiring that sufficient funds be deposited in escrow to allow the Borough and/or the Borough Land Use Board to hire their own independent geotechnical engineering expert to review the geotechnical report and the proposed plans of the redeveloper(s).
- The redevelopment agreement(s) shall provide provisions for the appropriate relocation assistance in compliance with all applicable Federal or State laws for any residents removed as a result of any redevelopment project(s).

AFFORDABLE HOUSING REQUIREMENTS

The redeveloper shall provide for an affordable housing component to the project so as to contribute towards the Borough's constitutional fair share obligation through any lawful mechanism recognized by the Fair Housing Act and the Council on Affordable Housing's implementing regulations as agreed upon by the Borough. Compliance with this requirement shall be included in any redevelopment agreement(s) entered into by the Borough and the designated redeveloper(s).

Any redevelopment project(s) within the Redevelopment Area shall include affordable residential units in compliance with the Borough's Housing Element and Fair Share Plan, and any ordinances adopted to implement the Housing Element and Fair Share Plan.

LAND USE BOARD REVIEW PROCESS

Pursuant to N.J.S.A. 40A:12A-13, all applications for development of sites governed by this Redevelopment Plan shall be submitted to the Borough Land Use Board for review and approval. The following provisions shall govern review of any proposed redevelopment projects for the redevelopment area:

- No building or zoning permit shall be issued by the construction or zoning official for any work resulting in a change of intensity of development or change of use for any properties or buildings within the area of the Redevelopment Plan without prior review and approval of the work by the Land Use Board, or the Borough Mayor and Council if necessary.
- Regular maintenance and minor repair shall not require Land Use Board review and approval.
- As part of site plan approval, the Land Use Board may require the redeveloper to furnish performance guarantees pursuant to N.J.S.A. 40:55D-53 and as required in the Borough's Land Use Ordinance. The performance guarantees shall be in favor of the Borough of Highlands, and the Borough Engineer shall determine the amount of any performance guarantees.
- Any subdivision of lots or parcels of land within the Redevelopment Area shall be in compliance with the Redevelopment Plan and reviewed by the Land Use Board pursuant to the Local Redevelopment and Housing Law and N.J.S.A. 40:55D-1 et seq.
- Once a property has been redeveloped in accordance with the Redevelopment Plan, it may not be converted to any use not expressly permitted in this Redevelopment Plan. No non-conforming use, building, or structure may be expanded or made more non-conforming in nature after adoption of this Redevelopment Plan. A use or structure not conforming to the requirements of this Redevelopment Plan may not be reconstructed in the event of its destruction. The Land Use Board shall determine the issue of whether the non-conforming use or building structure has been "destroyed."
- The regulations and controls of this Redevelopment Plan shall be implemented, where applicable, by appropriate covenants, or other provisions and through agreements between the redeveloper and Borough pursuant to N.J.S.A. 40A:12A-8 and 40A:12A-9.
- The extent of the redeveloper's responsibility for any installation or upgrade of infrastructure related to the development of the Redevelopment Area, or contribution thereto, shall, whether on-site or off-site, be subject to a redevelopment agreement with the Borough of Highlands, as the municipal redevelopment agency.
- A redeveloper shall be required to pay all applicable escrow fees and other required charges in accordance with applicable provisions of the Borough Ordinance and State law. Additionally, a redeveloper shall be required to pay their proportional share of the cost of any studies, plans, reports, or analyses prepared by the Borough or its designated redevelopment entity as part of this Redevelopment Plan. Any such payments required to reimburse the Borough shall be specified in the redevelopment agreement.

The above provisions are all subject to approval by ordinance and/or resolution according to law. If a court of competent jurisdiction finds any word, phrase, clause, section, or provision of this Redevelopment Plan to be invalid, illegal, or unconstitutional, the word, phrase, clause, section, or provision shall be deemed severable, and the remainder of the Redevelopment Plan and implementing ordinances shall remain in full force and effect.

AMENDMENT TO ZONING MAP AND DEVELOPMENT REGULATIONS

The Borough's Zoning Map is hereby amended to reference this Redevelopment Plan as a zoning district encompassing the Redevelopment Area as illustrated in the Redevelopment Area Map. Additionally, the listing of zoning districts in the Borough of Highlands Land Use Ordinance is hereby amended to include a reference to this Redevelopment Plan constituting such substitute zoning districts.

Where specifically provided for herein, the development standards set forth in this Redevelopment Plan shall supersede the Land Use Ordinance of the Borough of Highlands. In all other instances, the Borough Land Use Ordinance shall remain in full force and effect.

APPENDICES

Appendix A:

Resolution of the Governing Body designating the Area in Need of Redevelopment



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 18-069

RESOLUTION ACCEPTING RECOMMENDATION OF BOROUGH OF HIGHLANDS MUNICIPAL LAND USE BOARD AND DESIGNATING BLOCK 105.107, LOT 1.1, COMMONLY REFERRED TO AS THE SHADOW LAWN MOBILE HOME PARK SITE, AS AN AREA IN NEED OF REDEVELOPMENT PURSUANT TO THE NEW JERSEY LOCAL REDEVELOPMENT AND HOUSING LAW, N.J.S.A. 40A:12A-1 ET. SEQ.

WHEREAS, by way of Resolution 16-228, lawfully adopted on December 7, 2016, the governing body directed and authorized the Borough of Highlands Land Use Board (the "Board") to conduct a preliminary investigation to determine whether Block 105.107, Lot 1.1 (the "Study Area"), commonly referred to as the Shadow Lawn Mobile Home Park Site, qualifies as an "area in need of redevelopment" pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12-1, et. seq.; and

WHEREAS, by way of Resolution 16-228, the governing body resolved that this redevelopment area determination shall authorize the municipality to use all of those powers provided by the New Jersey Legislature for use in a redevelopment area, other than the use of eminent domain ("Non-Condensation Redevelopment Area"); and

WHEREAS, as part of its preliminary investigation, the Board caused Heyer, Gruel & Associates, Licensed Professional Planners to prepare an Area in Need of Redevelopment Investigation Report (the "Investigation Report") for the Board for its consideration in determining whether the Study Area should be designated a Non-Condensation Redevelopment Area; and

WHEREAS, the Investigation Report prepared by Heyer, Gruel & Associates, dated November 2017, determined that the Study Area met the statutory criteria in accordance with the Local Redevelopment and Housing Law, to be designated as "an area in need of redevelopment", which is attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the area recommended for determination as "an area in need of redevelopment" is specifically described in the Investigation Report and the boundaries of same are shown on the maps and exhibits included within the said Investigation Report, which is attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the Borough of Highlands Land Use Board, pursuant to all notices required by law, conducted a public hearing on January 31, 2018 to determine whether the Study Area meets the statutory criteria of an area in need of redevelopment and considered any public comments and objections thereto; and

WHEREAS, as a result of the hearing, the Board made recommendations to the Mayor and Council of the Borough of Highlands that the Study Area as described in the Investigation Report, which is annexed hereto as Exhibit A, be designated as a Non-Condensation Area in Need of Redevelopment pursuant to N.J.S.A. 40A:12A-5, which recommendations were memorialized in a Resolution of the Borough of Highlands Land Use Board duly adopted on February 14, 2018; and

WHEREAS, the Mayor and Borough Council reviewed the aforesaid Resolution of the Borough of Highlands Land Use Board, as well as the Investigation Report dated November 2017, which is annexed hereto as Exhibit A; and

NOW THEREFORE BE IT RESOLVED, that the Mayor and Council of the Borough of Highlands accepts the Board's recommendations set forth in the Borough of Highlands Municipal Land Use Board Resolution dated February 14, 2018, and that it hereby adopts the recitals and findings of the Borough of Highlands Land Use Board and the Investigation Report attached hereto as Exhibit A, as if fully set forth herein, and therefore determines and declares that the area of investigation, as contained in the Investigation Report of Block 105.107, Lot 1.1, be and is hereby determined to be a Non-Condensation Area in Need of Redevelopment, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et. seq.

BE IT FURTHER RESOLVED, that the designation of Block 105.107, Lot 1.1 as a Non-Condensation Area in Need of Redevelopment shall not authorize the Borough to exercise the power of eminent domain to acquire any property in the study area.

BE IT FURTHER RESOLVED, that the Borough hereby reserves all other authority and powers granted to it in the Local Redevelopment Law.

BE IT FURTHER RESOLVED, that the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et. seq. provides for procedures to establish a Redevelopment Plan for the municipality, and the Mayor and Council of the Borough of Highlands have determined that it will embark upon the preparation of such a Redevelopment Plan.

BE IT FURTHER RESOLVED, that pursuant to N.J.S.A. 40A:12-6(b)(5)(c), the Borough Clerk is hereby authorized and directed to transmit a certified copy of this Resolution to the Commissioner of the Department of Community Affairs for review.

BE IT FURTHER RESOLVED, that pursuant to N.J.S.A. 40A:12A-6(b)(5)(d), the Borough Clerk is hereby authorized and directed to transmit a certified copy of this Resolution upon all record owners of the properties located within the delineated area of the Investigation Report as those names are listed within the official Tax Assessor's records within ten (10) days of the adoption hereof.

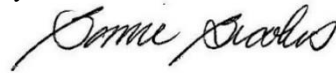
BE IT FURTHER RESOLVED, that pursuant to N.J.S.A. 40A:12A-6(b)(5)(d), the Borough Clerk is hereby authorized and directed to transmit a certified copy of this Resolution upon each person, if any, who filed a written objection and stated in such submission an address to which notice of this determination may be sent.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution and underlying documents shall be available for public inspection during regular business hours at the office of the Borough Clerk.

MOTION to approve R -18-069:

	INTROUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
BRASWELL			X			
BROULLON	X		X			
D'ARRIGO			X			
RYAN			X			
O'NEIL		X	X			

I, Bonnie Brookes, Municipal Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, hereby certify this to be a true copy of the action of the Governing Body, at its Council Meeting, held March 21st 2018. WITNESS my hand this 22nd day of March 2018.



Bonnie Brookes, RMC
Municipal Clerk

Appendix B:

Resolution of the Governing Body acting on the Redevelopment Plan (to be added upon adoption)

Appendix C:

Converse Ward Davis Dixon Report, (1978)



PRELIMINARY DRAFT REPORT OF
ATLANTIC HIGHLANDS-HIGHLANDS
PIGGYBACK ENVIRONMENTAL
IMPACT STATEMENT
GEOLOGY, HYDROGEOLOGY,
GEOTECHNICS

For
ECOL SCIENCES, INC.

By
CONVERSE WARD DAVIS DIXON, INC.

27 September 1978

Project No. C7807-12

27 September 1978

Ecol Sciences, Inc.
P. O. Box 245
20 Union Street
Rockaway, New Jersey 07866

Attention: Mr. Peter R. Spinney

Preliminary Draft Report: Atlantic Highlands-Highlands
Piggyback Environmental Impact
Statement
Geology, Hydrogeology,
Geotechnics
(C7807-12)

Gentlemen:

This preliminary draft report covers our portion of the Atlantic Highlands-Highlands Piggyback Environmental Impact Statement, pertaining to geology, hydrogeology, and geotechnics. This work was authorized by you in a letter dated 18 July 1978.

Thank you for the opportunity of working with you on this project. Please call us if we may be of further assistance.

Respectfully submitted,

CONVERSE WARD DAVIS DIXON, INC.

Stuart R. Remz
Project Geologist

Gary S. Salzman
Gary S. Salzman, P.E.
Principal Engineer

JMD:GSS:SRR/jrs

Converse Ward Davis Dixon, Inc.
91 Roseland Avenue
Post Office Box 91
Caldwell, New Jersey 07006

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8	Slope Map
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PROJECT DESCRIPTION

The overall project consists of performing a piggyback Environmental Impact Statement for the various alternatives to raise the quality of sewage effluent from the Atlantic Highlands-Highlands area to at least secondary treatment level.

The portion of the EIS to be completed by Converse Ward Davis Dixon, Inc. (CWDD) includes the referenced items of work outlined in the "Draft Outline for Atlantic Highlands-Highlands EIS, Attachment C", provided to us by Ecol Sciences, Inc.

In general, our work was confined to specific geologic, hydrogeologic, and geotechnical aspects of Section II (Description of the Existing Environment Within the Project Area); Section III (Environmental Constraints to Growth); Section VI (Impacts Associated with Feasible Alternatives); and Section VII (Adverse Environmental Impacts which Cannot Be Avoided Should the Feasible Alternatives Be Implemented and Steps Taken to Minimize Harm to the Environment).

Sections II and III are presented in this Preliminary Draft Report. On 6 September, we were instructed by Mr. Peter R. Spinney of Ecol Sciences at a joint meeting with Betz, Converse, Murdoch, Inc., to postpone work on Sections VI and VII until preliminary alternative schemes have been finalized. This would include the evaluation of the alternative options discussed at the referenced meeting.

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SECTION II. B. 1. a. PHYSIOGRAPHY

PURPOSE AND SCOPE OF STUDY

The purpose of the general study was to evaluate the natural environment in terms of the alternative schemes to upgrade sewage from the study area to at least secondary treatment level. The portions of the study specifically assigned to CWDD, and presented in part in this Preliminary Draft Report, deal with the geologic, hydrogeologic, and geotechnical aspects of the natural environment.

SCOPE

The following services were performed:

1. Data Collection - We collected and reviewed existing data from our files, professional journals and publications, government publications, and previous consultant reports which were provided to us. All data sources are listed either in the References or Additional Data Sources sections of our report.
2. We obtained and interpreted stereo pairs of aerial photographs dated 1974 at a scale of 1" = 1000', and dated 1977 at a scale of 1" = 800'.
3. We visited the study area and performed a geologic reconnaissance.
4. We analyzed, interpreted, correlated, and evaluated all data obtained and produced this preliminary draft report containing our findings.

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SECTION II. B. 1. a. PHYSIOGRAPHY

Monmouth County, in its entirety, lies in the Atlantic Coastal Plain physiographic province. The Atlantic Coastal Plain also includes the southeastern portions of Mercer and Middlesex Counties, as well as the entire counties of Ocean, Burlington, Camden, Gloucester, Salem, Cumberland, Atlantic, and Cape May. Regionally, the Atlantic Coastal Plain stretches as far south as Georgia.

In New Jersey, along the Trenton-New Brunswick line (northwestern limit of the Coastal Plain), the surface elevation is less than 100 feet above sea level. Southwest of Trenton, the elevation gradually decreases, following the Delaware River to sea level near the southern extremity of the state. At the northern limit of the Coastal Plain area, near Raritan and Sandy Hook Bays, the surface elevation is nearly 400 feet above sea level. From this high point, the surface slopes to sea level at the Atlantic coastline and to an elevation of approximately 100 feet along the northwestern boundary of the province. The higher areas to the north have been dissected to a subdued, hilly topography; farther south, the ground surface, due to its near sea level elevation, is mostly flat or with just gentle relief.

The physiography of the study area is unlike that of any other coastal area within the state. Bluffs, rising up to a maximum height of more than 200 feet, stretch along almost the entire bay shore, and dominate the region. This is the only location in the New Jersey Coastal Plain in which hills, higher than 200 feet, border on the ocean. The area has been dissected by streams, and presents a "rugged" appearance which is caused by the sandy, permeable nature of the sediments, and the semi-resistant layers of cemented sand locally present. The permeability of the unconsolidated material allows (to a large degree) water to pass through the sediments instead of eroding the surface; the semi-resistant layers of cemented sand resist erosion by water, and create the steep slopes.

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SECTION II. B. 1. b. STRATIGRAPHY

SECTION II. B. 1. b. STRATIGRAPHY

The exposed stratigraphy of the project area has been the subject of many dissertations. The nomenclature and characteristics of the deposits are therefore well documented and extensively researched.

Introduction

The study area is underlain by a series of marine and beach-complex strata, which are tilted, or dip, gently to the southeast at a rate of about 10 to 40 feet per mile. The uppermost strata have been subjected to normal stream erosion, so that the surface appears hilly.

The upper layers have been defined as Pleistocene (ice age), recent in age, and consist of beach sands, alluvium, and tidal marsh deposits. Beneath this veneer are the coastal plain sediments. These strata are represented, in descending age, by: the Cohansey sand (youngest), thought to be of Miocene and Pliocene age; the Vincentown formation and the Hornerstown sand, of Paleocene age; and the Tinton sand, Red Bank sand, Navesink formation, and the Mount Laurel sand (oldest), all of upper Cretaceous age.

Sediments of upper Cretaceous age continue downward. However, they are not exposed in the study area. They are: the Wenonah formation, the Marshalltown formation, the Woodbury clay, the Merchantville formation, and the Magothy formation. Beneath the Cretaceous sediments is the Wissahickon formation, a pre-Cambrian metamorphic basement complex extending to great depths.

Geologic History

In late pre-Cambrian time (about 600 million years ago), the oldest known rocks in Monmouth County were deposited as sands and muds in a large coastal trough complex or geosyncline. The sediments were deposited over a sufficient time span to allow thousands of feet of material to accumulate in the slowly sinking trough. As more and more material was deposited, the mass of overlying sediments caused sufficient heat and pressure buildups to indurate, or lithify, the unconsolidated sands and muds into sandstones and shales. Subsequent intrusion of subterranean lava (called magma), and metamorphism altered the sandstones and shales to the gneisses and schists of the Wissahickon formation.

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After uplift, the Wissahickon formation was eroded to a nearly flat plane. During early Cretaceous time (about 120 million years ago) the Appalachian Mountains were uplifted to the west. Eastward flowing streams then deposited sand, clay, and gravel on top of the Wissahickon formation during late Cretaceous time.

Whenever an erosional surface is encountered between two lithologic (rock) units, it is indicative of a change in physical conditions (e.g. deposition changing to non-deposition, etc.) and temporal gaps may occur in the stratigraphic sequence. These temporal gaps are generally termed unconformities, and exist world-wide. The late (upper) Cretaceous deposits lie unconformably on the Wissahickon formation.

After partial erosion of the upper Cretaceous deposits, the ocean began a series of advances and withdrawals across Monmouth County, and sand or clay was deposited during the many oceanic retreats and advances. Cretaceous deposition ended in Monmouth County by a complete withdrawal of the sea.

An interval of erosion ensued, and the landward edges of the Cretaceous deposits were eroded away. The next oceanic advance occurred over 60 million years ago during the Tertiary period. Alternating erosion and deposition continued throughout this time, and sands, clays, and gravels were deposited, unconformably, on the Cretaceous materials.

The deposits formed during the most recent million years and those now forming belong to the Quaternary system, which began with the advance of continental glaciers. Sand and gravel were deposited by meltwaters from receding glaciers. Deposits formed since the disappearance of the last glacier belong to the Recent Series.

Study Area Stratigraphy

The exposed stratigraphic units of the study area consist of a succession of 7 formations of late Cretaceous and Tertiary ages, which have a maximum thickness of about 300 feet. In addition, thin bands of alluvial and tidal-flat material are present along drainage courses and waterways, and a thick mass of beach sand constitutes Sandy Hook (the offshore barrier bar) and the flat beach areas at Waterwitch and Highlands (Pleistocene and Recent age).

The following stratigraphic descriptions have been adapted from Minard (1974).

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Mount Laurel Sand

The oldest unit cropping out in the Atlantic Highlands is the Mount Laurel Sand. It crops out along the base of the bluffs adjacent to the bay, where nearly the entire thickness (25 feet) is exposed. The lower two-thirds of the formation is mostly thin-bedded very fine to medium-grained glauconitic (glauconite is a potentially unstable mineral, composed largely of iron, aluminum, and silica) quartz sand containing thin layers of clay and silt, which constitute about 40 percent of this part of the formation. The formation is greenish gray to dark greenish gray; much lignite and mica are present. The upper third of the formation is thick-bedded coarse-grained to pebbly sand containing about 31 percent clay and silt. Glauconite may constitute nearly half the formation in the upper few feet, and fossils and fossil fragments are common there.

Navesink Formation

The Navesink Formation overlies the Mount Laurel Sand; it is a massive to thick-bedded, clayey, glauconite sand about 25 feet thick. Clay and silt constitute about 26 to 30 percent of the formation. The rest consists almost entirely of fine- to coarse-grained glauconite sand. The formation is largely dusky green to greenish black and olive black. A small amount of quartz sand is present as a trace of fine grains throughout, but is especially plentiful, as are fossil remains, in the base and near the middle. The formation underlies the lower and middle slopes of hills along Sandy Hook Bay.

Red Bank Sand

Overlying the Navesink Formation is the Red Bank Sand which is divided into two members, the lower Sandy Hook Member and the upper Shrewsbury Member (Minard, 1969, p. 16). The Sandy Hook member is a compact dark-gray massive-bedded silty, clayey feldspathic (feldspars are a common group of rock forming minerals composed largely of calcium, potassium, sodium and silica) quartz sand about 15 to 30 feet thick. The sand is fine to very fine and contains abundant mica, carbonaceous matter, and pyrite; glauconite is abundant in the basal few feet. Fossils are abundant, and concretions (spherical, hollow balls) masses of siderite (an iron carbonate mineral) are present locally. Clay-silt content ranges from about 27-36 percent. The unit underlies middle slopes along Sandy Hook Bay and lower slopes along the Navesink River.

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The Shrewsbury is a massive-bedded silty and clayey, fine to medium feldspathic quartz sand about 90 to 105 feet thick. Many coarse grains and some very coarse grains are present, especially in the upper half of the member. Much of the member consists of fairly loose sand, except locally where crusted or cemented by iron oxide. Clay-silt content ranges from about 10-18 percent. The unit underlies middle to upper slopes along Sandy Hook Bay and along the Navesink River.

Tinton Sand

The Tinton Sand overlies the Red Bank Sand and is the uppermost unit of Cretaceous age in the area. It is massive-bedded, clayey, medium to very coarse feldspathic quartz-glaconite sand to glauconitic quartz sand. It is stained, crusted, and cemented by iron oxide and is mostly shades of brown. The sand is poorly sorted (well graded); grain size ranges from clay and silt to very coarse sand. Granules are locally abundant, and some pebbles are present in the upper few feet. Glaconite also is more abundant in the upper part. Clay-silt content is about 32 percent. The unit underlies steep middle to upper slopes of the highest hills.

Hornerstown Sand

Unconformably above the Tinton is the Hornerstown Sand, the lowermost unit of Tertiary age. Typically it is dusky green and grayish olive massive-bedded poorly sorted clayey glauconite sand. Locally the upper few feet is oxidized to dusky red and may contain thin layers of ironstone. Several percent quartz sand is present throughout, and as much as 30 percent occurs in the basal two feet. Grain size ranges from clay to coarse sand; clay constitutes one-third to one-half the formation locally. The formation underlies middle to upper slopes of the highest hills. It is well exposed at Waterwitch on Sandy Hook Bay, along the north side of the Navesink River, and near the top of several other bluffs at various localities.

Vincentown Formation

The Vincentown Formation is thick to massive-bedded medium glauconitic quartz sand. Typically it is light greenish to yellowish gray, but locally it is moderate red and brown and is cemented by iron oxide. Glaconite content is nearly half the sand fraction in the basal few feet. Grain size ranges from clay to coarse sand, but generally more than half the unit is medium sand. Much of the sand is clean and loose, but in some outcrops, as much as 25 percent clay

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The deposits have a very limited areal extent and average 5 to 10 feet in thickness, although local accumulations of 20 feet have been noted.

Tidal-Marsh Deposits

Tidal-marsh sediments consist largely of organic-rich, water-saturated muds containing minor amounts of sand, deposited in swampy areas near the mouths of streams. These sediments have a very limited areal extent and are quite thin.

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and silt are present. The formation does not appear to be fossiliferous in the Atlantic Highlands area, but it is very fossiliferous elsewhere (Minard, 1969, p. 24). It underlies steep middle and upper slopes in the hills.

Cohansey Sand

The Cohansey Sand is composed chiefly of clean, somewhat pebbly, medium to coarse quartz sand; however, much fine and very coarse sand and granules also are present. The distinctive characteristic of the sand is the well-formed cross stratification (the arrangement of layers at one or more angles to the dip of the formation). The sand typically is yellowish gray and grayish to pale yellowish orange, except where stained grayish red to moderate brown by iron oxide.

The basal contact is distinct and unconformable. In most outcrops it overlies the massive glauconitic sand of the Vincentown. Locally, the basal contact is irregular and cuts down through the Hornerstown to the Tinton (Minard, 1969, p. 28). Locally, basal beds are micaceous fine sand and silt and resemble the Kirkwood Formation. The Cohansey underlies the upper slopes and caps the highest hills in the area.

Beach and Dune Sand

Beach and dune sand comprise all of Sandy Hook spit, the offshore bar and the south shore of Sandy Hook Bay. The beach sand consists primarily of quartz eroded and transported from proximal formations. Minor concentrations (less than 5%) of reworked glauconite impart a gray-green hue to some of the beach sand. Grain sizes range from small pebbles to clay; however, the sand is largely medium to coarse, fairly clean and loose, and perpetually shifting. Shore accumulations of the beach sand are generally less than 10 feet thick.

The dune sand on Sandy Hook is primarily medium-grained and better sorted than the beach sand. The dunes on Sandy Hook are partially stabilized and fairly well vegetated.

Recent Alluvium

Recent alluvium, derived from proximal formations, is found in and along present stream courses and at the base of some steep slopes. These deposits are composed chiefly of sand and gravel, with minor amounts of silt, clay, and peat.

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SECTION II. B. 1. c. GEOLOGIC CONDITIONS

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SECTION II. B. 1. c. GEOLOGIC CONDITIONS

The study area lies in the Atlantic Coastal Plain geologic province. The surficial and underlying sediments all have a marine or beach origin, with the exception of limited recent alluvial deposits and glacial deposits. The upper sediments are of Tertiary age, and the lower sediments are of upper Cretaceous age (see Sec. II. B. 1. b.).

Structure

The Tertiary geologic units strike about N.60-70°E. and dip gently southeast. The Cretaceous units strike about N.50-60°E. and dip southeast at about 40 feet per mile. There are some local anomalies, at least in the Tertiary units, but this may be due to displacement from slumps. In general, the structure of the Atlantic Coastal Plain is monoclinical; all beds dip in the same direction. There are no reported faults (except for slump scarps) or other structural features in the area.

Unstable Areas

The geologically unstable areas are confined to the slump block locations outlined on Drawing 2. It should be noted that the locations plotted on Drawing 2 are the actual blocks which have failed; the stability of adjoining areas may also be questionable due to the successive failures which may occur. A description of each slump block appears in Section II. B. 1. d. and failure mechanisms are discussed in Section II. B. 1. e. An idealized cross section is drawn through slump block A and appears as Drawing 3.

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SECTION II. B. 1. d. DESCRIPTION OF SLUMP BLOCKS

A slump, as defined in the Glossary of Geology and Related Sciences, is "the downward slipping of a mass of rock or unconsolidated material of any size, moving as a unit or as several subsidiary units, usually with a backward rotation on a more or less horizontal axis parallel to the cliff or slope from which it descends". A slump block is the mass that has slumped.

During a routine geologic mapping of the Sandy Hook quadrangle completed in 1969, Minard (1969) noted two ancient slump blocks in the study area, and one ancient slump block along the Navesink River, south of the study area. The 1969 publication is the first detailed technical report of these slump blocks. When the most recent episode of apparent slumping was reported by local residents (1972-1974), Minard returned to the area and found seven additional ancient slump blocks, with renewed movement in the B block complex. The descriptions which follow are adapted from Minard's work and augmented by interpretation of air photos and field observations. Movement has occurred as both complete block failures and as partial block failures.

In general, slumping produces several geomorphic features and events indicative of the particular type of movement of these blocks. The erosional and rotational features observed suggest strongly that the mode of movement is of the Toreva block type, defined as a "landslide consisting essentially of a single large mass of unjostled material which, during descent, has undergone a backward rotation toward the parent cliff about a horizontal axis, which roughly parallels it." (Reiche, 1937) This type of landslide is prevalent in the southwestern United States, especially near Toreva, Arizona, where the phenomenon was originally studied. As is customary, the process bears the name of the type locality, hence Toreva-block.

The features and events peculiar to Toreva-block movement are:

- 1) Downward movement of a mass of rock or earth.
- 2) A rotational movement of the block, normal (perpendicular) to the scarp face of detachment.
- 3) Inward tilting of the upper surface of the block and an upward drag of the beds in contact with the scarp face down along which the block slides.

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SECTION II. B. 1. d. DESCRIPTION OF SLUMP BLOCKS

- 4) An elongate depression on the scarp side of the surface of the block resulting from the tilt and drag.
- 5) A concave scarp from which the inner convex surface of the block detaches, and a convex bulge at the outer base, or toe of the block.

Toreva blocks characteristically fail as a single episode. The secondary slumping observed in the study area is not characteristic of the classical Toreva failure.

The secondary slumping noted in the study area, shears the primary block about in half. It results in farther downward displacement, and additional rotation and tilting of beds in the outer block. Successive episodes of slumping on the same block are possible in unconsolidated materials.

Ancient Slump Blocks

In his original investigation, Minard (1969) theorized that the slumping was caused primarily by wave erosion at the toe of slope. Therefore, Minard reasoned that slumping probably occurred before the formation of Sandy Hook and the barrier bar, which currently shelter the bluffs. Radio-carbon dating of plant material obtained from 90 feet below sea level beneath Sandy Hook suggests strongly that the spit did not extend as far north 10,000 years ago as it currently does. Therefore, Minard initially concluded the blocks probably date from about that time or earlier. In his second investigation, Minard (1975) discovered that Sandy Hook and the barrier bar had been breached periodically throughout its existence; hence the slumping may be much younger than originally thought. In fact, the most recent reported episode of slumping (1972-1974) occurred while Sandy Hook was a promontory, proving that direct wave erosion of the toe of slope is not necessarily an a priori factor for slumping, and hence, dating the slumps by the presence or absence of Sandy Hook and the barrier bar may not be valid.

In terms of geologic time, the slumping must have been fairly recent, due to the movement of Tertiary material by slumping. In addition, several episodes of slumping have been reported within the last 200 years. However, the actual time when the ancient slumps first occurred is unknown.

Block A - Block A is located along the shore of Sandy Hook Bay, slightly west of Waterwitch (see Drawing 2). The block measures about 450 feet wide (north-south) and about 1,400 feet long (east-west). At least two separate episodes of

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slumping have occurred within this block prior to 1972. The original slump transported the entire block. The failure zone was located in the basal member of the Red Bank sand (Sandy Hook member) and the Navesink formation. The secondary slumping affected only a portion of the block. The failure zone was located primarily in the upper member of the Red Bank sand (Shrewsbury member). Based on stratigraphic correlation with intact bluff sediments, the maximum downward displacement resulting from slumping is estimated at about 85 feet. There is an inward tilt of the upper block surface, indicating a backward rotation of the beds during failure, indicative of classical Toreva slump block movement. Other morphologic traits characteristic of slump block failure which are present include a convex inner face abutting the concave scarp (the actual slippage surface), a prominent bulge at the slope toe, and a conspicuous sag or depression on the inner upper surface. The secondary slump line occurs about at the middle of the block.

Block B - Slump block B is located in Atlantic Highlands, about 2,000 feet west of the Highlands municipal border. Originally mapped as a single slump episode prior to 1972 (Minard, 1969), the block has been re-evaluated and is presently considered to represent four episodes of failure. Blocks B-1 (the primary block) and B-2 (the initial secondary slump) failed prior to 1972; Blocks B-3 and B-4 are new secondary failures which formed subsequent to the summer of 1972. The overall length of the entire block is about 3,000 feet. The width varies, being about 400 feet at its maximum. The wider, eastern part of the block exhibits the classic convex scarp fitting into the concave scarp of detachment. The upper surface is depressed near the inner part, parallel to the long axis, similar to block A. Some boulder size blocks of ironstone are present, and tilted scarpward due to rotation during failure. Block B-2 forms a ramp-like feature from west to east reflecting the vertical displacement along an ancient secondary failure line.

Although remnants from a past slumping episode, Blocks B-1 and B-2 contributed during the 1972-1974 slumping episode. Block B-1 is the least active; however, cracks in the road pavement adjacent to B-1 and in a rock wall at the west end of the inner rupture zone appeared in 1972, strongly suggestive of renewed activity. Block B-2 was noticeably reactivated in 1972. Damage to private homes, largely due to vertical displacement of as much as 1 foot, occurred. Fissures, cracked walls, and cracked concrete works occurring from 1972 to 1974, all indicate that Block B-2 has been reactivated.

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Block I - Slump block I is about 150 feet wide and 750 feet long. It lies at the west end of the bluffs, near Atlantic Highlands Yacht Harbor. Block I also shows the convex-concave profile typical of Toreva-blocks.

Block J - During our air photo interpretation segment of this investigation, another possible slump block was discovered, mapped, and designated as Slump Block J. Slump block J is located just south of the slump block B complex (B-1 - B-4), and measures about 2700 feet long and 1100 feet wide. Typical features visible through air photo analysis include a backward tilt of the block due to rotation, and the remnants of a convex inner surface nestled into the concave scarp along the slippage surface. There is a slight bulge along the eastern portion of the toe.

The block appears to have undergone intense erosion, especially in the upper scarp areas, thus suggesting that the block is ancient and not currently active. However, the B block complex may be the successive failures of Block J. Block B was active in 1972-1974; however, there was no reported movement of Block J.

Measured Shear Zone

In preparing this report, no new subsurface data were obtained; we were limited to a review of available reports prepared previously by others.

A report prepared for Ford, Bacon & Davis, Inc. by Dames & Moore, and dated 25 March 1975, disclosed the results of 4 borings performed between Stations 43+50 and 51+50 on the right-of-way for the proposed force main. (See Drawing 2 for location.) After sampling, slope indicator casing was installed and periodic readings obtained of horizontal subsurface movements.

After an initial series of measurements in late September and October of 1974 which disclosed virtually no movement, measurements were suspended until 20 March 1975. At that time, a northward "displacement" of the upper soils of up to 2.6 inches was found to have occurred in the interim. The displacements were charted as occurring in a zone between 22½ and 37½ feet below the ground surface, with the actual displacement zone in each hole occurring over a limited reach of 10 feet or less. No record of subsequent measurements is provided.

The Dames & Moore report also disclosed that other inclinometers had been installed previously by Woodward-Moorhouse

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During the 1972-1974 slumping episode, Blocks B-3 and B-4 appeared, slightly west of the ancient B blocks. The new generation of slumps (all secondary and part of the B-block complex) have irregular, unstable, and jumbled surfaces (not indicative of Toreva blocks). Several fissures were reported to have opened below the main upper scarp, further subdividing the main blocks into smaller ones (it is very probable that there are more than four independent block movements within the B block), resulting in severe tilting of trees and the stretching of vines. The most recent movement appears to have been on the lower blocks; however, some of the upper blocks have slid under and wedged beneath the lower blocks.

Blocks B-3 and B-4 may have initiated movement as a base failure. Material at the toe of bluffs may have moved towards the bay, causing a decrease in the support of the bluffs. The bluffs may have then failed sequentially, before the uppermost block (B-3) began the slumping, which has produced a 13-16 foot scarp.

Block C - Slump block C lies outside the study area, and will not be considered.

Block D - Slump block D is the easternmost slump shown on Drawing 2. It measures approximately 1500 feet long and 600 feet wide. Block D exhibits some of the classical Toreva-block characteristics: a convex inner bulge fitting into a concave scarp, and the surface of the block noticeably inclined inward, indicating the backward rotation suggestive of Toreva blocks.

Block E - Slump block E is located just west of slump block D, and topographically above slump block F. It is a small block which has been modified considerably by man. The only geomorphic feature visible is a concave scarp which may be indicative of Toreva-block slumping.

Block F - Slump block F is located on the west side of slump block D. The block itself has been eroded away, leaving only the typical scarp.

Block G - Slump block G lies just west of slump block A-1 in Atlantic Highlands. Block G appears to be small with minor downward displacement.

Block H - Slump block H lies just west of block G and just east of block B-1. It is also small with minor downward displacement, and shows a typical convex inner outline fitted into the concave scarp behind it.

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Associates. Two installed close to the Dames & Moore inclinometers had also revealed movements: in one, 1 inch between June 1973 and March 1974, with blockage of the casing occurring in April of that year at a location where the later Dames & Moore work measured about 1½ inches; in the other, 3½ inches between January and May of 1974, blockage in October 1974, compared with a subsequent 2½ inches in the nearby Dames & Moore inclinometer. The frequency of measurement in the Woodward-Moorhouse inclinometers is not indicated; thus, the time span over which the movements occurred cannot be determined.

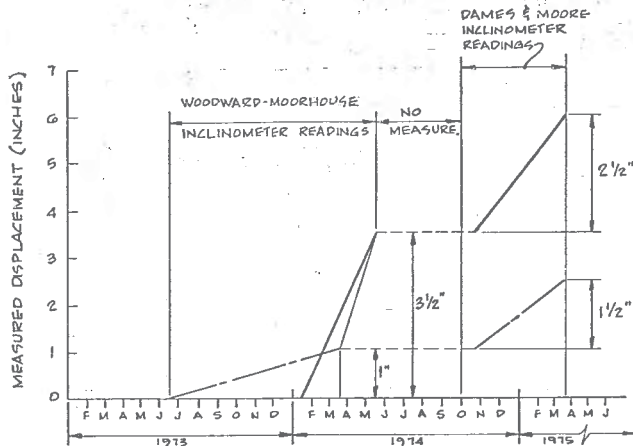
The depth of the displacement zones in the Woodward-Moorhouse tests are comparable with the later Dames & Moore work. The inclinometer readings are pictorially portrayed on Figure 1 (next page).

The boring advanced for the Dames & Moore inclinometer SI-4 (which showed the smallest movement, less than ¼ inch) encountered an artesian condition commencing at 28-foot depth (approximately the mid-depth of the zone where movement was measured) and continuing flow for the duration of the measurement period.

Dames & Moore reports that no apparent weakness of the soil was discovered in any of the samples obtained. However, two of the five piston samples attempted in what later developed to be the zone of movement of B-3, were reported to have been lost in sampling; i.e. no recovery made. What seems significant about this is that the material was weak enough to permit piston sampling; no piston samples were attempted elsewhere. The material obtained by piston sampling may have been softened by dilatancy (due to the shearing action). It seems possible also that one or the other of the lost piston samples could have contained the active shear zone in this region.

Dames & Moore further concludes from their results that "it is evident that the movement is occurring as shear over a zone several feet thick . . ." In SI-3, the 2½ inches of movement is measured as occurring over about a 7-foot thick zone. However, had this movement occurred in a much thinner zone, say one foot thick, the casing could either break or be seriously deformed, precluding measurement. Alternately, the relative stiffness of the casing would have been forced to the edge of the loose hole drilled (6-inch diameter vs. 3-inch diameter casing) and possibly forced slightly into the side walls of the hole; thus, the stiffness of the casing would tend to smooth out the possible abrupt movements, making the record to appear as if the movement had

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NOTE: THE DATA THAT THIS FIGURE IS BASED UPON WAS SECURED BY WOODWARD - MOORHOUSE, AND DAMES & MOORE, FROM INCLINOMETER READINGS.

FOR LOCATION OF STUDY, SEE DRAWING No.2

MEASURED SHEAR ZONE MOVEMENT

ATLANTIC HIGHLANDS-HIGHLANDS
NEW JERSEY
FOR ECOL SCIENCES, INC.

ConverseWardDavisDixon

Geotechnical Consultants

Project No.

C7807-12

Figure No.

1

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C7807-12

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SECTION II. B. 1. e.

PROBABLE FACTORS INVOLVED IN SLUMP BLOCK MOVEMENT

C7807-12

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SECTION II. B. 1. e. PROBABLE FACTORS INVOLVED IN SLUMP BLOCK MOVEMENT

The slump block phenomenon within New Jersey is peculiar to only the Atlantic Highlands region. The presence of high bluffs composed of unconsolidated, permeable material containing abundant but localized concentrations of glauconite and calcareous fossil remains, combined with a high groundwater table and intermittent erosion at the toe of the bluffs, make the bluffs susceptible to isolated episodes of slumping. The most recent episode of major slumping lasted about 2 years (1972-1974) (Minard, 1974).

It should be noted that the reported slumping phenomenon appears intermittent; periods of activity may be separated by tens of years (or more) of quiescence, only to be followed by renewed slumping.

Given the set of existing conditions, the probable factors which may contribute to slump block movement are: 1. wave erosion, 2. high groundwater table, 3. slope mass and gravity forces, 4. construction activity and local slope overloading, and 5. geochemical weathering.

1. Wave Erosion - The southern portion of Sandy Hook Spit has been shown to be ephemeral (Cook, 1868; Barber and Howe, 1844). Sandy Hook spit was breached by the Atlantic Ocean in at least two separate episodes in the last 200 years. The first breaching occurred in 1778 and lasted until about 1800. The second episode occurred in 1830. The openings in the spit are reported to have been as wide as 3 miles. Therefore, it appears as if high energy direct wave erosion has attacked the bluffs at least twice in the last 200 years. Evidence of severe erosion and associated slumping has been documented by Cook (1868) and Barber and Howe (1844).

2. High Groundwater Table - The effect of high groundwater on internal pore water pressure is well documented. Jones (1973) summarizes the effects: "The modes of action of the rain are raising the piezometric surface in the slope forming material, seepage toward the slope, removal (dissolution) of soluble binders in joints, subsurface erosion, rearrangement of grains, chemical weathering, and displacement of air in voids and joints. The modes of action combine (with construction activity) to produce changes in the stress of the slope forming material, thus causing damage to inter-granular bonds, rearrangement of grains, opening of new joints and closing of old ones, an increase in pore water pressure, and elimination of surface tension. When some

of the various elements of the processes combine to increase shearing stresses and/or to decrease cohesion and frictional resistance to a sufficient degree, a slide (slump) is activated."

3. Slope Mass and Gravity - In light of all other factors, slope mass and gravity forces play subtle roles in slump block failure. An increase in slope mass, such as new construction or an increase in soil moisture due to rainfall, may, in combination with other factors, induce slumping. Gravity forces exert a constant downward force on the slopes and in combination with other factors (e.g. lowered shear strength) may also induce movement.

4. Construction Activity and Local Slope Overloading - "The modes of action of construction operations are high frequency vibrations and an acceleration of creep by undermining and locally overloading the slope" (Jones, 1973). It has been speculated that driving of piles for a new concrete bridge near a slump area, weakened the slope area (perhaps by partial liquefaction of the soil), and after subsequent heavy rains, slumping was initiated. An excavation of an outfall line along the toe of the slope may have been a contributing factor by reducing or stabilizing force at the toe of slope.

5. Geochemical Weathering - The interaction of several geochemical elements present in the lithology provide a positive environment for slumping. As noted in the lithologic descriptions, the upper part of the Mount Laurel, the entire Navesink, and the basal part of the Red Bank (Sandy Hook member) formations all have several common characteristics: 1) stratigraphic position; they underlie the lower parts of the bluffs in the slump areas; 2) they are largely firm and compact-appearing in place - they are relatively unweathered; 3) in part they all contain abundant glauconite and calcareous fossil remains.

Recent research (Benson, 1946; Proix-Noe, 1946; Drouhin, et al, 1948) has indicated that the presence of glauconite and calcareous material, in combination with other factors (permeable layers, high groundwater, etc.), are associated with landslides (slumping) on a world-wide scale.

In general, glauconite is a hydrated iron alumino-silicate with a dioctahedral illite structure. There is frequent replacement of Al^{+3} by Fe^{+3} , Fe^{++} , and Mg^{++} resulting in net charge deficiency. This type of atomic structure allows considerable base exchange. Often Ca^{++} and Na^{++} , as well as K^{+} are the interlayer cations.

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SECTION II. B. 1. f.

DESCRIPTION OF THE INTERRELATIONSHIPS OF THE GEOLOGIC CHARACTERISTICS OF THE REGION, AND THEIR IMPORTANCE TO THE SERVICE AREA

According to Hedding (1932) glauconite forms in a shallow sea in agitated waters which are not highly oxygenated, and during times of decreased deposition of detritus. The lack of oxygen in association with bacterial action (always associated with authigenic - formed in situ - glauconite formation) creates a reducing environment for the formation of glauconite.

When exposed to an oxidizing environment, the glauconite changes form from a suspension or gel to a solid, due to the introduction of electrolytes which cause flocculation (clumping). As infiltrating rainfall migrates through the calcareous zones, it becomes basic (pH greater than 7); and glauconite is unstable in the presence of basic waters. When the now basic infiltrating waters contact the glauconitic beds, the glauconite changes phase from a flocculated solid to a colloidal suspension or gel. Continuous infiltration by water progressively washes away the glauconitic gel, thus reducing the cohesion of the soil. When sufficient glauconite has been removed and replaced by water, the soil has the consistency of a viscous liquid. In this condition, the shear strength of the glauconitic beds is very greatly diminished and slump failure can be initiated. Other mechanisms, such as a saturated groundwater condition, erosion at the toe of slope, the overloading of slopes, or vibrations (see above) likely contribute to inducement of slumping, but it is the instability of the soil containing glauconite, under the conditions present in the study area, that is the most probable mechanism of slump failure.

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SECTION II. B. 1. f. DESCRIPTION OF THE INTERRELATIONSHIPS OF THE GEOLOGIC CHARACTERISTICS OF THE REGION, AND THEIR IMPORTANCE TO THE SERVICE AREA

The Atlantic Highlands-Highlands region is rich in geologic resources, which provide support for the area's economy and general health. The geology of the Atlantic Coastal Plain physiographic province provides for a seasonal tourist trade, including beach and marina facilities. In addition, the granular nature of the sediments, as well as their areal extent and accessibility, provide an excellent setting for sand quarry operations. The sandy nature of the deposits also provides for good septic field operations and for an excellent water supply.

Negative aspects of the geologic characteristics of the study region include the slump block problem and a complex groundwater relationship with the main body of Atlantic Coastal Plain aquifers.

Beaches and Marina Facilities

The ephemeral nature of Sandy Hook (see Sec. II. B. 1. e.) has provided excellent present-day conditions for beach creation and stabilization, and marina facilities. During the time Sandy Hook spit was breached by the Atlantic Ocean, high energy wave action cut into and eroded the bluffs and created the sandy beaches along the bay shore. Under present conditions, the spit shelters the bay and beaches, eliminating the need for massive and costly beach erosion protection works required by other Coastal Plain shore regions.

Similarly, the bay protection provided by Sandy Hook spit allows for a quiet water condition conducive to marina facilities, which are located along the bay shore.

The protected beach-marina-shore combination, and the proximity of the study area to the population centers of the New York, New Jersey, and eastern Pennsylvania metropolitan areas, provide the necessary physiographic, geologic, and demographic constituents for a vigorous resort economy.

Sand Quarry Operations

Although no sand quarries are currently operating within the political boundaries of the study area, several old quarry works abut the south municipal border. The wide general expanse of the surficial sandy material, as well

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as the hilly terrain, suggest that sand quarrying, under strict municipal control, could conceivably augment the study area's economy.

Water Supply and Septic Field

The Tertiary and Cretaceous aquifers underlying the study area provide an excellent, high yield, good quality, potable water supply. The deep aquifers, the Englishtown Sand and the Magothy and Raritan formations, are amongst the most heavily used in the state.

The sandy nature of the surficial soils provides sufficient permeability and filtering capacity for efficient leaching of septic effluent. The consistency of groundwater quality in the study area indicates biochemical wastes have not escaped septic treatment and have not contaminated groundwaters. Published groundwater quality analyses (Jablonski, 1968) indicate no fecal coliform contamination in near surface groundwaters.

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SECTION II. B. 1. g. EVALUATION OF EFFECTS OF INCREASED GROUNDWATER USES AND SLOPE STABILITY

Introduction

Slope failures have been historically associated world-wide with high groundwater levels (Cedergren 1968). The saturated groundwater condition lowers slope stability and contributes to failures in the following ways:

1. By reducing or eliminating the cohesive strength of the soil. The apparent cohesive strength of a non-saturated granular soil is caused by interstitial water in tension - a force which tends to hold grains together. In the saturated condition, interstitial waters are taken out of the tension condition, thus eliminating apparent cohesion forces.
2. By producing neutral pore water pressures, which reduce effective stresses, thereby lowering shear strength. The effect of the buoyant condition on a granular medium is to reduce the vertical downward acting intergranular force, which is proportional to the restraint to lateral movement.
3. By producing horizontally inclined seepage forces which increase the overturning moments and the possibility of failure. Groundwater seepage, or movement, can create a nearly horizontal force which contributes significantly to the torque (overturning moment) involved in slope failure.
4. By allowing further introduction of water to the failure planes after small initial movements open a fissure.
5. By supplying fluid that fills soil pores during earthquakes or severe shocks, leading to liquefaction failures. During earthquakes or other shocks (e.g. blasting), certain granular materials at certain densities collapse, causing excess pressures on the pore water fluid. It can occur to the point where individual grains are momentarily separated from each other. This can cause the sand to temporarily have the consistency of a viscous liquid (quicksand) and thus respond quickly to failure forces.

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SECTION II. B. 1. g.

EVALUATION OF EFFECTS OF INCREASED GROUNDWATER USES AND SLOPE STABILITY

Slope Stability and Increased Groundwater Uses in the Study Area

Under normal saturated groundwater conditions, increased groundwater usage (pumpage) would tend to lower the groundwater level, thereby making the steep bluffs more stable by reducing the nearly horizontal seepage forces, and by reducing pore waters to a state of tension, thus increasing apparent cohesion.

The study area, however, does not reflect normal saturated groundwater conditions. There is a hydrostatic head (pressure) in downdip areas (see Section II. B. 3. c. 2) which retards the transmission of groundwater from the study area (recharge zones) down to the main body of the aquifer. Therefore, most of the recharge generated in the study area is lost as base flow in nearby streams.

Moderately increased pumping, therefore, may only draw off the groundwater currently lost to stream flow and not lower the groundwater table. Based on the estimate of 0.55 mgd/mi² recharge lost to stream flow (Jablonski, 1968), it appears that pumping in the study area would have to increase by more than 1.1 mgd to lower the groundwater table significantly. Allowing an average water consumption rate of 50 gallons per day per person, the population of the study area would have to increase by about 22,000 people in order to increase pumping to the point of appreciably lowering the groundwater table.

Additionally, water uses such as lawn watering, car washing, etc. return water to the ground as recharge, which would further inhibit groundwater table lowering.

Within the parameters presented, it seems unlikely that increased groundwater usage will affect the bluff slope stability to any great degree.

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SECTION II. B. 2

SOILS AS THEY RELATE TO GEOLOGIC INSTABILITY

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SECTION II. B. 2 SOILS AS THEY RELATE TO
GEOLOGIC INSTABILITY

As previously stated (see Sec. II. B. 1. c.), the areas of geologic instability within the study area are confined to the slump block zone and the shore areas. As indicated on the soils map, the slump block zone is composed of soil designate M-23 (silty coarse to fine Sand with occasional clay layers) and the shore areas are composed of soil designate MB-13 (medium Sand). The soil characteristics have a direct bearing on the geologic instability.

Slump Block Zone - The near surface soils in the slump block zone are compact and firm, and generally considered stable and not prone to sliding. The soils in question belong to the upper part of the Mount Laurel, the entire Navesink, and basal part of the Red Bank (Sandy Hook member) formations. Common characteristics of these soils include topographic location (they underlie the lower parts of the bluffs), they are firm and compact in place, they are unweathered, and they all contain significant concentrations of glauconite and calcareous fossil remains. In addition, the soils are sufficiently permeable to allow for significant infiltration of rainfall.

Under a more usual set of conditions (e.g. the absence of glauconite and water seepage) slope stability would be a function of the angle of internal friction (ranging up to approximately 40°). If wave erosion then undercut the toe of the bluffs, and was the only factor involved in slumping, then when the angle of repose approached critical values due to wave erosion, the slopes would fail and establish a new equilibrium.

Wave erosion at the toe of the bluffs, however, is not the only factor involved in slumping. The presence of glauconitic beds in combination with overlying calcareous fossils, generally permeable soils, and wave erosion at the toe of slope, produces Toreva type block movement. (See Section II. B. 1. e. 5.)

Shore Areas

Under present conditions, Sandy Hook protects the shore areas from massive erosion by ocean currents and waves. The shore areas will remain stable as long as Sandy Hook is not breached by the Atlantic Ocean.

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Sandy Hook, however, has been shown to be ephemeral, being breached at least two times in the recent past. Should Sandy Hook again be breached by the ocean, high energy wave erosion would attack and erode the shore areas, and ocean currents would redistribute the eroded material. Loose beach sand areas would be among the first soils to be affected, with the more consolidated shore areas eroding more slowly.

A secondary effect of the breaching of Sandy Hook would be the eroding of the toe of known slump blocks, possibly re-activating movement, and initiating new slumps.

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SECTION II. B. 3. GROUNDWATER RESOURCES

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SECTION II. B. 3. GROUNDWATER RESOURCES

The strata underlying Monmouth County contain several viable aquifers, some of which are hydrologically connected, such that there is vertical leakage, or transference of water amongst aquifers.

The most heavily used aquifers in Monmouth County are the Raritan and Magothy formations, and the Englishtown formation. Combined, these aquifers contribute about three-fourths of the groundwater used in Monmouth County.

In the study area, however, these aquifers are well below the surface and will not be affected by any near surface construction, dewatering, excavation, or other man-made disturbance. Therefore, for the purposes of this study, aquifers below the Mount Laurel sand will not be considered.

a) Groundwater Quality

Mount Laurel Sand - The Mount Laurel sand and the Wenonah formation, although distinct and separate geologic units, are hydrologically connected and will therefore be considered as a single aquifer. Water quality in this aquifer is generally good, having moderate hardness and low dissolved mineral content. Six analyses (Jablonski, 1968) of dissolved solids indicated a range of 112 to 145 ppm (parts per million). The hardness ranged from 56 to 110 ppm in 8 samples tested. The pH ranged from 6.5 to 8.1 in seven samples tested, and the iron content was less than 0.3 ppm in 8 of 9 samples tested. As of 1964, there was no indication of high chloride contents - an indication of the absence of salt water intrusion; however, the aquifer may be in connection with salt water in Sandy Hook Bay or in the Atlantic Ocean (see Section VI. C. 5. a. 3., entitled Saltwater Intrusion).

Navesink formation - Except for the lower sandy fossiliferous zone, the Navesink formation, in conjunction with the basal clay member of the overlying Red Bank sand, forms a confining layer, or aquiclude, between the Mount Laurel sand and the overlying formations. It has been reported that domestic tapping of the lower sandy zone of the Navesink formation has encountered waters of excellent quality.

Red Bank sand - The Sandy Hook member (see Section II. B. 1. a.) of the Red Bank sand, in combination with the upper portions of the Navesink formation, forms an aquiclude. The Shrewsbury member does serve as a minor aquifer, with water

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SECTION II. B. 3. b. 1

GROUNDWATER QUANTITY - SAFE SUSTAINED YIELD

quality described as acidic, and requiring iron removal treatment. There has been no indication of high chloride content, indicative of the absence of saltwater intrusion; however, the aquifer may be tied hydrologically to the Navesink River, the Shrewsbury River (both estuaries), Sandy Hook Bay, and the Atlantic Ocean (see Section VI. C. 5. a. 3., entitled Saltwater Intrusion).

Tinton sand - The Tinton sand is hydrologically tied to the Shrewsbury member of the Red Bank sand and exhibits the same water quality characteristics.

Hornerstown sand - Due to its clayey nature, the Hornerstown sand serves as an aquiclude. There are no reported wells tapping the Hornerstown sand.

Vincentown formation - The Vincentown sand serves as a very minor aquifer, contributing negligible amounts of groundwater to Monmouth County. General water quality has been reported to be excellent; however, locally the water may have a low pH and excessive iron concentrations.

Cohansey sand - The Cohansey sand is not considered a viable aquifer due to limited thickness and areal extent.

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SECTION II. B. 3. b. GROUNDWATER QUANTITY

Introduction

The quantity of groundwater available in any particular basin is dependent upon the annual available recharge from the outcrop areas or other sources (well injection of waste waters, irrigation seepage, aquifer leakage, etc.), the aquifer storage capacity, and the coefficient of transmissibility (the ease of which water is transmitted through the aquifer).

In an attempt to simplify a complex relationship, the term "safe sustained yield" has been created to place an upper limit on the withdrawals any particular aquifer can tolerate without suffering adverse effects. These adverse effects may include such common items as simply lowering of the water table (lowering of the water table is a natural response to pumping which, in itself, may not be damaging to the aquifer), or they might include such devastating effects as lowering the water table sufficiently to cause saltwater intrusion, or a change in the physical conditions of the aquifer, such that it is no longer suitable to store water in sufficient quantities to be economically useable.

The ambiguity of the term safe sustained yield (safe yield) has been underscored by Thomas (1951),

"Safe yield is an Alice-in-Wonderland term which means whatever its user chooses."

The first use of the term safe yield occurred in 1920 by Oscar E. Meinzer (noted hydrologist), and was defined, by Meinzer, in 1923 as:

"The rate at which water can be withdrawn from an aquifer for human use without depleting the supply to such an extent that withdrawal at this rate is harmful to the aquifer itself, or to the quality of the water, or is no longer economically feasible."

Meinzer's definition has been accepted (in essence) as the basis for the standard definition in the Glossary of Geology and Related Sciences, American Geologic Institute (1957).

Hydrogeology

To estimate the safe sustained yields of the aquifer-complex beneath the study area, it is necessary to examine and understand the active groundwater system beneath the study area.

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Observed water levels in the Wenonah-Mount Laurel and Vincentown formations indicate that vertical leakage, from stratigraphically adjacent aquifers, supplies much of the recharge in down-dip areas. This is also the case with the deeper, more heavily used aquifers (Englishtown and Magothy formations). Therefore, much of the recharge entering the outcrop zones in the study area is lost as base flow in effluent streams due to the hydrostatic head created down-dip.

Since safe sustained yield is some function of recharge modified by other aquifer characteristics, it follows that the safe sustained yields in down-dip pumping areas (where vertical leakage contributes heavily to recharge) will be affected negligibly by outcrop area recharge. The discussion and estimation of safe sustained yields will therefore be limited to the portion of the aquifers within the study area, where significant outcrop zones occur, and where surface recharge is the determining factor in estimating safe sustained yield for the study area.

Safe Sustained Yield

Due to the hydrologic transparency of the aquifers in the study area, they will be considered as a single unit. Safe sustained yield, as used in this report, is an evaluation of the rate at which groundwater can be withdrawn from the near surface aquifers without adversely affecting the aquifer itself, the quality of the water, the economic feasibility of pumping, or drawing from groundwater storage.

To estimate the safe sustained yield of the near surface aquifers within the study area, it is first necessary to estimate the average annual recharge of the study area, assuming the entire area is a recharge zone, and no other recharge occurs outside the study area.

To determine the annual recharge from precipitation, the following relationship is considered:

$$R = P - (E_T + CP) \quad A - Q_s A$$

where R = annual recharge from precipitation

P = average annual precipitation = 44.67 in./yr. (Jablonski, 1968)

E_T = weighted evapotranspiration extrapolated from work done in southeastern Middlesex County = 27.7 in./yr.

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C = runoff factor extrapolated from work done in southeastern Middlesex County = .05

A = area of the study area = 1.98 mi.²

Q_s = base stream flow = 0.55 million gallons per day (mgd) per square mile (Jablonski, 1968)

On the basis of the above equation (with appropriate units conversion), the amount of recharge available within the study area is about 300,000 gallons per day. A conservative estimate of safe sustained yield would be about 75% of the computed annual recharge, thereby providing for the maintenance of aquifer storage for use during extreme drought conditions. Therefore, a conservative estimate for the safe sustained yield of the aquifers within the study area is .75 x 300,000 gallons per day = 225,000 gallons per day. This estimate should not be taken literally - it is an order of magnitude, under a specified set of conditions that were tailored to the study area due to the lack of any definitive studies on safe sustained yield in the study area. Additionally, as noted earlier, the term safe sustained yield is somewhat ambiguous; therefore, the results obtained in this study should not be compared with any other estimates, unless all assumptions made in this report match the conditions of comparable data.

Also, most of the groundwater supplies of the study area are obtained from the deeper aquifers (Englishtown Sand, Raritan and Magothy Formations). The safe yields of these deeper aquifers very greatly exceed the safe yields of the near surface, local aquifers.

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SECTION II. B. 3. b. 3.

EFFECT OF WITHDRAWALS ON SLOPE STABILITY

SECTION II. B. 3. b. 3. EFFECT OF WITHDRAWALS ON SLOPE STABILITY

As previously discussed (Sec. II. B. 1. g.), it appears unlikely that increased groundwater pumpage for consumption in the study area will provide greater stability in the bluff area. However, assuming it would be feasible to design a well system with the associated engineering works capable of permanently lowering the water table in the study area, greater bluff stability would still be questionable.

One of the prime mechanisms of slump block failure is the successive dissolution and washing away of glauconite from both the Tertiary and Cretaceous beds (see Sec. II. B. 1. c.). This is accomplished primarily by downward percolating recharge, which first comes in contact with calcareous fossil remains, thus becoming alkaline. The alkaline waters then attack the flocculated glauconite, which is reduced to a colloidal suspension and washed away.

If the groundwater table were permanently lowered and groundwater gradients were increased due to pumpage, the upper beds would be essentially "dry" (100% of the interstitial water cannot be withdrawn by pumping). As a response, surface recharge may increase in both quantity and downward velocity, due to the "perched" dry condition, become alkaline by contact with fossil remains, and attack and erode the glauconitic constituents in greater quantities. This could result in both an increase in slope instability, due to the faster rate of glauconite destruction, and an increase in slope stability by dewatering. Definitive quantitative judgments as to net slope stability increase or decrease due to dewatering and its ramifications are not possible unless an exhaustive aqueous geochemical study is performed; however, a cursory review of available data suggests that the destruction of glauconite may have more significance than the effect of groundwater withdrawals concerning the stability of these bluffs, especially in light of the predicted increases in surface recharge, assuming a lowered groundwater table.

SECTION II. B. 3. c. 2.
EFFECTS OF DEVELOPMENT ON TOTAL RECHARGE

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SECTION II. B. 3. c. 2. EFFECTS OF DEVELOPMENT
ON TOTAL RECHARGE

Introduction

Development of open land invariably reduces the recharge capacity of the land, simply by covering a permeable medium (the natural ground) with a less permeable medium (concrete, asphalt, etc.). By developing open land without runoff controls, thereby reducing infiltration, all incident rainfall becomes high velocity runoff, increasing peak stream flow, compounding flood situations, and increasing surface water erosion potential. It should be noted that development with properly designed and maintained runoff and pollution control facilities will have a virtually insignificant impact on groundwater recharge.

The rainfall lost as uncontrolled runoff due to development generally leaves the watershed quickly as stream flow and may be classified as a permanently lost resource. The manifestations of lost groundwater recharge attributed to development oftentimes result in the lowering of the piezometric surface due to lost infiltration and increased pumping (increases in water supply demand generally accompany increases in development; new development invariably increases the water consuming population).

To determine the effects of development on the total recharge of the groundwater system, the sources and ultimate disposition of the recharge must be investigated.

Sources of Recharge

A large portion of the study area serves as a recharge zone, utilizing rainfall as a source. Vertical leakage amongst aquifers in downdip areas also provides recharge to the groundwater system. It has been shown that the vertical leakage in the downdip areas has also created a hydrostatic head, or pressure, which retards the transmission of recharge entering the outcrop areas, to the main body of the aquifers, to the extent that most of the recharge entering the outcrop areas surfaces in nearby streams; very little of this surface recharge ever becomes a water resource.

Effects of Development in the Study Area on Total Recharge

The study area is 1.98 square miles. Assuming the entire study area serves as a surface recharge zone for the combined groundwater systems, a very large portion of the total surface

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recharge zone lies outside the boundaries of the study area. In addition, as stated above, a large percentage of the surface recharge generated in the study area is released as stream flow and is lost.

Due to the relatively small area of recharge zone represented by the study area, and considering that most of the recharge entering the groundwater system from the study area is lost to surface streams, it therefore seems likely that development in the study area will not significantly affect the total recharge of the groundwater system.

Development may, however, cause a reduction of the effluent groundwater maintaining base flow in nearby streams, which, in turn, may influence the water quality of those streams.

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SECTION II. B. 6. a. ENVIRONMENTALLY SENSITIVE
AREAS - GEOLOGICALLY

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SECTION II, B. 6. ENVIRONMENTALLY SENSITIVE AREAS

a) Geologically unstable areas - Geologic instability within the study area is confined to the slump blocks noted on Drawing 2, and all shore areas adjacent to Sandy Hook Bay.

Slump Blocks - The nature of slump block movement is such that active periods may be separated by long intervals of dormancy. As might be expected, the literature documenting slump failures in the Atlantic Highlands-Highlands region is sparse and vague. Cook (1868) discussed shoreline and beach erosion due to the breaching of Sandy Hook, in conjunction with apparent slump activity:

"At Long Branch, which is hard upland, the wear (from wave erosion) is very serious. The spot where the first boarding house was located thirty years since . . . is now all worn away, and the shoreline west of it. The wear is irregular; last year it was from 12 feet to 20 feet. Along the shores of Sandy Hook and Raritan Bay the wear is equally as rapid. At the Highlands enormous slides have been the result of wear."

Cook does not provide temporal data; however, Minard (1974) suggests that Cook's writings imply recency. Minard places Cook's observations east and southeast of referenced slump block A.

A second reference to slumping was recorded by Barber and Howe (1844):

"In the spring of 1782 a slide of earth happened at Greenland bank, the highest point of the Highlands, situated two miles north of Beacon Hill. The noise was heard for a distance of several miles. On the ridge of mountains, commonly called Navesink hills, in Monmouth co., East Jersey, a considerable quantity of land, some say 40 acres, gave way, in April last, and sunk directly down a considerable depth . . . The tops of trees, that sunk with the soil, and which were mostly of considerable bulk, are now nearly level with edges of the remaining ground. Round this again the earth opens, in one continuous fissure, a foot or more in breadth, for a considerable distance; and, as is conjectured, from its present appearance, will shortly go down also - the foundation being perhaps but a loose quicksand."

Minard interprets Greenland bank as the highest point in the highlands and suggests that the reported slide is slump

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Shore Areas - Presently, Sandy Hook shelters the bay and the bay shore from massive wave erosion. Should Sandy Hook become breached by the Atlantic Ocean as has happened in the recent past, the shore and beach areas would be subject to high energy wave erosion. Presumably, the conditions of equilibrium which exist now, would be upset and a new equilibrium would be established. The probable effects of the breaching of Sandy Hook would be the successive westward erosion of beaches, the subsequent undercutting of the bluffs (which has been shown to be associated with prior episodes of slumping), the establishment of new bay currents which would modify the bay floor (and possibly initiate slumping by removing sand from the toe of the bluffs), and the creation of a new sand bar, probably north of the study area.

The large scale shore erosion caused by a breach in Sandy Hook spit would not be as intense as the current erosion of beach areas in the barrier bar communities of southern New Jersey. The difference in erosion magnitude is due primarily to the angle of incidence of wave attack. In barrier bar locations, the wave attack strikes normal (perpendicular) to the shore, allowing the full component force of the waves to erode beach deposits. In the study area, the wave attack would strike obliquely at the shoreline, thus allowing some part of the component force of the waves to erode the beach. However, it should be noted, the erosion of the beaches and shore areas is tantamount to removing mass from the toe of slope of the slump blocks, and thus, erosion due to the breaching of Sandy Hook spit may foster renewed slump block activity.

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block A, or in the near vicinity. Minard further suggests that other than current slumping, slump block A is the most youthful-appearing major block.

Other than Cook (1868), Barber and Howe (1844), and Minard (1969, 1974), no mention of slumping in the study area was found in the literature search. If it is assumed that no other slumping has occurred in the study area other than what is reported in the literature, then three distinct episodes of failure can be catalogued. The first episode occurred in 1782 (perhaps slump block A). The second episode may have occurred in the years prior to 1868; and the third episode in 1972-1974. It is interesting to note that the 1782 slump episode coincides with one of the breaches of Sandy Hook, "Sandy Hook . . . changed its character from a promontory to an island in 1778, by an opening forced by sea . . ." (Barber & Howe, 1844). Several breaches of Sandy Hook have occurred in the recent past. From the descriptions offered by Cook (see above), it appears as if Sandy Hook was again breached by the ocean. If this is the case, then the first and second episodes of slumping can be attributed, at least in part, to wave erosion at the toe of the bluffs. The third episode of slumping occurred while Sandy Hook was a promontory; therefore, wave erosion cannot be associated with the third slumping episode. It seems likely that increased population, with associated increased water usage (including septic use) may be responsible for the contemporary slumping. Virtually all public water supplies in the study area draw water from the deeper aquifers. Water uses (e.g. lawn watering, car washing, and septic effluent) may have, in effect, transported water from the deeper aquifers and recharged it to the upper aquifers. The increased recharge, therefore, would have intensified the geochemical weathering processes (see Section II, B. 1. e.) and, at least in part, may have activated the recent slumping episode. In addition, the installation of the Bay-shore Outfall line, which predated the recent reported slumping occurrence by one year, may have contributed vibratory disturbances and removal of a portion of the toe of slope in sufficient quantities to accelerate slumping.

In any case, there is documented evidence that a portion of the toe of slope has undergone significant movement as late as 1975 (See Section II, B. 1. d.), indicating that wave erosion at the toe of slope is not, at least at the present time, a prerequisite for slump block movement.

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SECTION II, B. 6. c.
ENVIRONMENTALLY SENSITIVE AREAS
STEEP SLOPES

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SECTION II. B. 6. c. ENVIRONMENTALLY SENSITIVE AREAS -
STEEP SLOPES

Steep slopes (generally considered greater than 15% grades) are sensitive areas due to sheet and gully erosion from rapidly flowing runoff. Based on air photo interpretation and field reconnaissance, the only example of severe slope erosion within the study area occurs directly northeast of the Eastpointe Condominium, on the concave scarp of slump block A-1. Many erosion rills are present on the slopes, just east of slump block A-1.

Another sensitive aspect of steep slopes is the possibility of conventional slope failures. The northern slopes of the bluffs approximate 80% grades in the most severe cases (based on USGS Quadrangle map). This corresponds to an existing slope angle of about 38.5°, which approaches a critical value for these materials. The steep slope angle suggests that conventional slope failures should have occurred in the past; however, no conventional slope failure evidence has been reported. Possible explanations for the stability of the slopes, in terms of conventional slope failures (not slump blocks) are the vegetative cover on the slopes, and the cohesion of the soil.

The vegetative cover provides protection. The dense growth visible on hillside slows the flow of runoff, reduces the resultant erosion, and prevents loosening of the sand. The vegetative root systems also consume water, such that near surface interstitial water is held in tension; thus providing some amount of apparent cohesive strength to the near surface soils.

Converse Ward Davis Dixon, Inc.

SECTION II. B. 6. d.
ENVIRONMENTALLY SENSITIVE AREAS - SOILS

Converse Ward Davis Dixon, Inc.

SECTION II. B. 6. d. ENVIRONMENTALLY SENSITIVE AREAS - SOILS

From a foundation feasibility point of view, sensitive soils within the study area include designates AR and MTM as noted on Drawing 5, entitled Soils Map.

AR - recent alluvium - These soils represent recent deposition by streams. They are variable in composition and depth, but generally consist of sand, silt, and organic materials. The organic materials have very low strength parameters and will respond to loading by consolidating, or settling over a number of years. Structures founded on these soils, without prior pretreatment of the soils, may suffer severe damage due to foundation settlement.

AR/MTM - shallow deposits of recent alluvium (AR) overlying deposits of marine tidal marsh. The fractional symbol is indicative of a strata change within the upper 10 feet of soil. The numerator designates the surficial layer, and the denominator designates the lower stratum. In the AR/MTM designation, the AR represents recent alluvium as described above. The MTM represents marine tidal marsh deposits consisting largely of organic material of a marine origin. These organic deposits are more extensive than AR organics, although they approximate the same strength characteristics and present the same type of foundation problems as many AR soils.

Other environmentally sensitive soils within the study area include soils on steep slopes, which are subject to rill or gully erosion. Soils situated on the north bluff slopes are mapped as M-23; they are stratified deposits of marine and continental origin. The soils are composed of silty coarse to fine sand with occasional clay layers. Interpretation of stereo pairs of aerial photos indicates that along the north slopes of the bluffs, rills and small gullies have begun to dissect the escarpments created by slump block movement.

This condition is especially evident on the slopes in the vicinity of Eastpointe Condominium, where rapid runoff from paved parking areas may have contributed to slope erosion in the form of rills, gullies, and in one instance, sheet erosion at the top of the slope.

If rill and gully erosion of the steep slopes is left unchecked, the slopes will steepen, especially in the mid-slope region, and increase the probability of conventional landslides at the top of the slopes.

Converse Ward Davis Dixon, Inc.

SECTION II. B. 6. h.
ENVIRONMENTALLY SENSITIVE AREAS - AQUIFER RECHARGE AREAS

Converse Ward Davis Dixon, Inc.

SECTION II. B. 6. h. ENVIRONMENTALLY SENSITIVE AREAS - AQUIFER RECHARGE AREAS

Aquifer outcrop areas are mapped on Drawing 6. The nature of the study area is such that surface recharge impinging on aquiclude outcrops will run off and at least partially infiltrate aquifer outcrops; thus, with the exception of the beach areas, and possibly the bluff escarpment faces, the entire study area contributes some recharge to the groundwater system.

Without retention/detention/artificial recharge facilities, urbanization of groundwater recharge areas would ordinarily adversely affect both the quantity and quality of recharge, especially in water table aquifers. By covering naturally permeable material with virtually impermeable materials (concrete, asphalt, etc.), the infiltrative capacity of the soils directly affected is nullified. If the runoff generated from developed areas is fed into storm sewers, then that quantity of runoff, which would normally become recharge, is lost and the overall quantity of recharge generated in the area is reduced.

Similarly, development in aquifer recharge areas generally degrades recharge quality. Recent research has suggested that runoff from multiple dwelling unit type developments contains increased bacteriological contaminants, as well as increased levels of heavy metals and hydrocarbons from automobile bodies, fluid leakage, emissions, and tires.

Since most of the recharge generated within the study area is lost as base stream flow (see Sec. II. B. 3. b. 1.), the effect of development on regional groundwater parameters will be somewhat buffered. Most of the recharge originating from developed areas will, in all likelihood, be lost as base stream flow due to the topographic position of the most developable land (the flats located on top of and to the south of the bluffs) within the study area. It should not be assumed, however, that all recharge from developed land will be lost as stream flow; some of this recharge may reach the main body of the aquifer system and thus, introduce contaminants into the groundwater reservoir.

Aquifer outcrop areas, therefore, are considered environmentally sensitive areas, but not significantly sensitive in light of the groundwater regimen. The aquifer outcrop condition exists in most of northern Monmouth County and southern Middlesex County. In addition, there are pollution control methods available to mitigate the environmental effects of urbanization of recharge areas. These methods include various means of collection, treatment, and recharge of urban runoff.

Converse Ward Davis Dixon, Inc.

SECTION III ENVIRONMENTAL CONSTRAINTS TO GROWTH

A - AREAS WHERE NO GROWTH SHOULD OCCUR

B - AREAS WHERE LIMITED GROWTH SHOULD OCCUR

SECTION II. A. ENVIRONMENTAL CONSTRAINTS TO GROWTH - AREAS WHERE NO GROWTH SHOULD OCCUR

1. Geologically unstable areas - Areas where no growth should occur due to geologic instability are restricted to the line of known slump blocks, including the toe of slope and the areas south of the slump blocks as mapped on Drawing 7. Within this zone, there is virtually no "safe" location for either existing or new facilities. No growth should occur in these areas for two reasons:

A) development construction may provide the impetus for renewed movement due to vibration, excavation, dewatering, and the local overloading of slopes.

B) when the slump blocks again become active, damage to new growth in the slump block zone will contribute significantly to the overall damage totals.

2. Steep slopes - Areas where no growth should occur due to excessively steep slopes are mapped on Drawing 7, and are restricted to slump block escarpments where slopes attain better than 30° inclines. Urbanization of these areas would prove impractical in terms of construction and conventional slope stability. Also, damage could occur with renewed slump block activity.

SECTION III. B. AREAS WHERE LIMITED GROWTH SHOULD OCCUR

1. Geologically unstable areas - Areas where growth should be limited due to geologic instability are mapped on Drawing 7, and are restricted to the shore areas composed largely of beach sand. While these areas are not presently unstable, there is a good probability that they will become unstable at some future date, due to the ephemeral nature of Sandy Hook spit. Historical evidence indicates that Sandy Hook has been breached two or three times in the last 200 years. Should Sandy Hook be breached by the Atlantic Ocean again, the shore areas would be subjected to large scale, high energy wave erosion, which would severely modify the unprotected shore areas.

2. Steep slopes - Areas where growth should be limited due to steep slopes have been mapped on Drawing 7, and are limited to areas where slopes exceed 10° (15% grades). Construction in these areas should be limited to single unit dwellings, which will not require massive earth cuts and fills, nor generate significant amounts of man-made impervious cover, which, in turn, generates higher runoff quantities and velocities, thus accelerating slope erosion. There should be no development when these slopes are part of slump blocks.

Converse Ward Davis Dixon, Inc.

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Converse Ward Davis Dixon, Inc.

ADDITIONAL DATA SOURCES

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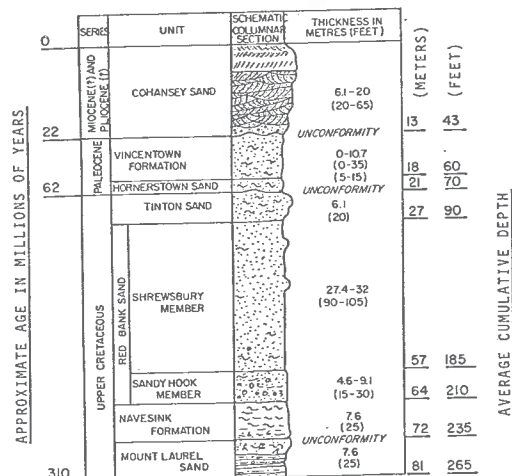
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Converse Ward Davis Dixon, Inc.

REVISED NOV. 9, 1978

ADAPTED FROM "SLUMP BLOCKS IN THE ATLANTIC HIGHLANDS OF N.J.", GEOLOGICAL SURVEY PAPER 898, BY MINARD, 1974.



EXPLANATION
 CLAY-SILT SAND GRAVEL GLAUCONITE
 FOSSILS CROSS-STRATIFICATION BORINGS AND SIDERITE CONCRETIONS

GENERAL NOTES

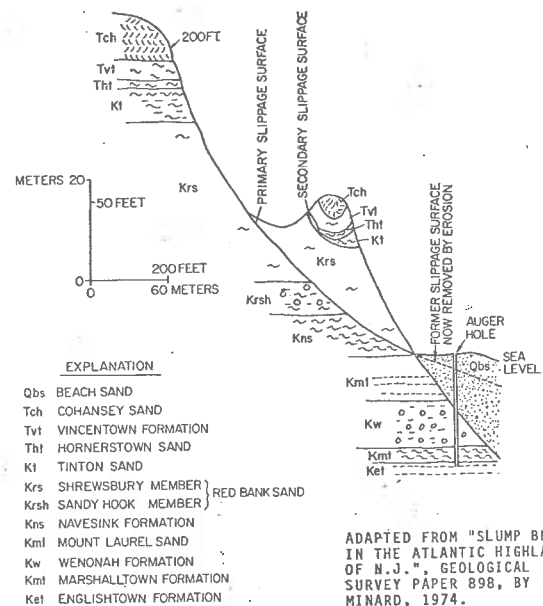
THESE DRAWINGS (NOS. 1 THROUGH 10) ARE PART OF CONVERSE WARD DAVIS DIXON REPORT NO. C7807-12, AND SHOULD BE READ TOGETHER WITH THE REPORT FOR COMPLETE EVALUATION.

13100 GARY S. SALZMAN, P.E.
 N.J. LICENSE NO. *Gary S. Salzman* SIGNATURE 9-27-78 DATE

GEOLOGIC COLUMN
 ATLANTIC HIGHLANDS-HIGHLANDS
 NEW JERSEY
 FOR ECOL SCIENCES, INC.

ConverseWardDavisDixon Geotechnical Consultants

Scale NONE Project No. C7807-12
 Prepared by HB Date 9-17-78
 Checked by SRR Drawing No. 1
 Approved by GSS



FOR GENERAL NOTES, SEE DRAWING No. 1

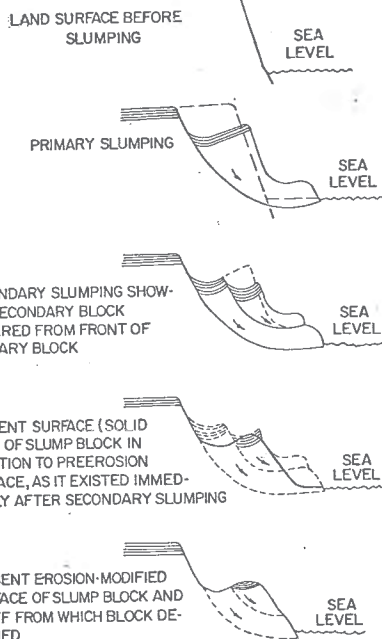
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 N.J. LICENSE NO. *Gary S. Salzman* SIGNATURE 9-27-78 DATE

IDEALIZED CROSS SECTION THROUGH SLUMP BLOCK A

ATLANTIC HIGHLANDS-HIGHLANDS
 NEW JERSEY
 FOR ECOL SCIENCES, INC.

ConverseWardDavisDixon Geotechnical Consultants

Scale AS SHOWN Project No. C7807-12
 Prepared by HB Date 9-17-78
 Checked by SRR Drawing No. 3
 Approved by GSS



ADAPTED FROM "SLUMP BLOCKS IN THE ATLANTIC HIGHLANDS OF N.J.", GEOLOGICAL SURVEY PAPER 898, BY MINARD, 1974.

FOR GENERAL NOTES, SEE DRAWING No.1

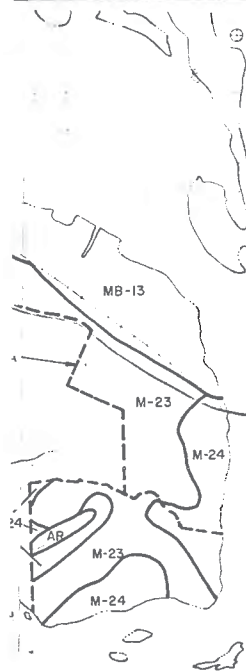
13100 GARY S. SALZMAN, P.E. 9-27-78
N.J. LICENSE NO. SIGNATURE DATE

SCHEMATIC SLUMP BLOCK HISTORY

ATLANTIC HIGHLANDS-HIGHLANDS
NEW JERSEY
FOR ECOL SCIENCES, INC.

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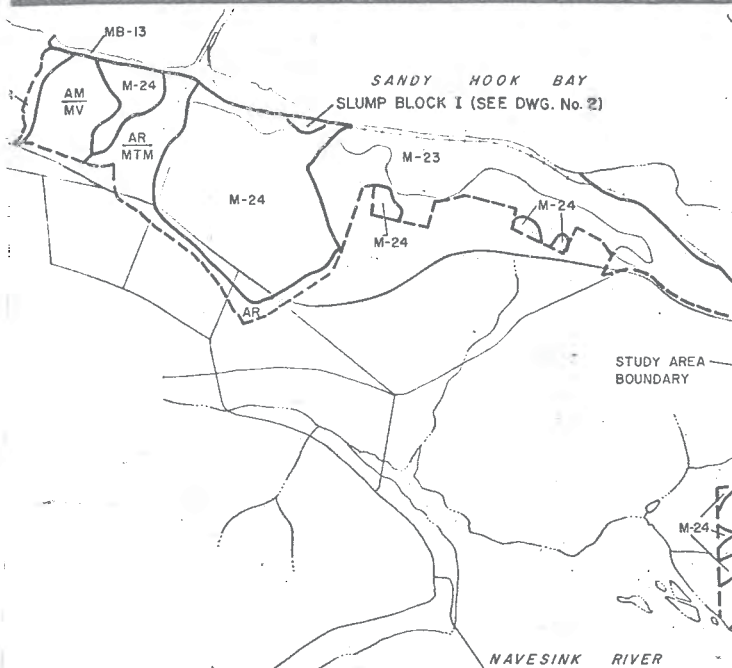
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Prepared by HB Date 9-17-78
Checked by SRR Drawing No. 4
Approved by GSS



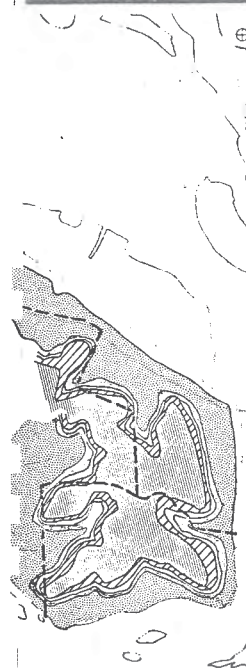
- LEGEND
- AR ALLUVIAL MATERIAL DEPOSITED DURING THE QUATERNARY PERIOD - GRAVELLY, SILTY SAND
 - AR RECENT ALLUVIUM FOUND ADJACENT TO PRESENT STREAM COURSES - SILTY SAND, SOME ORGANIC SILT
 - M-23 STRATIFIED DEPOSITS OF MARINE AND CONTINENTAL ORIGIN, INCLUDING PORTIONS OF THE COHANSEY SAND, VINCENTOWN SAND, ENCLAVATION SAND, RED BANK SAND, TINTON SAND, AND MAGDOY AND HABITAT FORMATIONS - SILTY COARSE TO FINE SAND WITH OCCASIONAL CLAY LAYERS
 - M-24 STRATIFIED DEPOSITS OF MARINE ORIGIN, INCLUDING PORTIONS OF THE KIRKWOOD, VINCENTOWN, RED BANK, TINTON, MOUNT LAUREL, AND WENONAH SANDS - SILTY VERY FINE SAND WITH OCCASIONAL CLAY LAYERS
 - MB-13 STRATIFIED MARINE MATERIAL DEPOSITED DURING THE LATTER PART OF THE QUATERNARY, INCLUDING BEACH SAND - MEDIUM SAND
 - MTM MARINE TIDAL MARSH, INCLUDING ORGANIC DEPOSITS - ORGANIC SILT
 - MV STRATIFIED DEPOSITS OF MARINE ORIGIN, INCLUDING PARTS OF THE MOUNT LAUREL AND WENONAH SANDS - SILTY, CLAYEY SAND

FOR GENERAL NOTES, SEE DRAWING No.1

13100 GARY S. SALZMAN, P.E. 9-27-78
N.J. LICENSE NO. SIGNATURE DATE
SOILS MAP
ATLANTIC HIGHLANDS - HIGHLANDS
NEW JERSEY
FOR ECOL SCIENCES, INC.
Scale 1:24000 Project No. C7807-12
Date 9-10-78
Prepared by JAP Drawing No. 5
Checked by SRR
Approved by GSS
ConverseWardDavisDixon Geotechnical Consultants



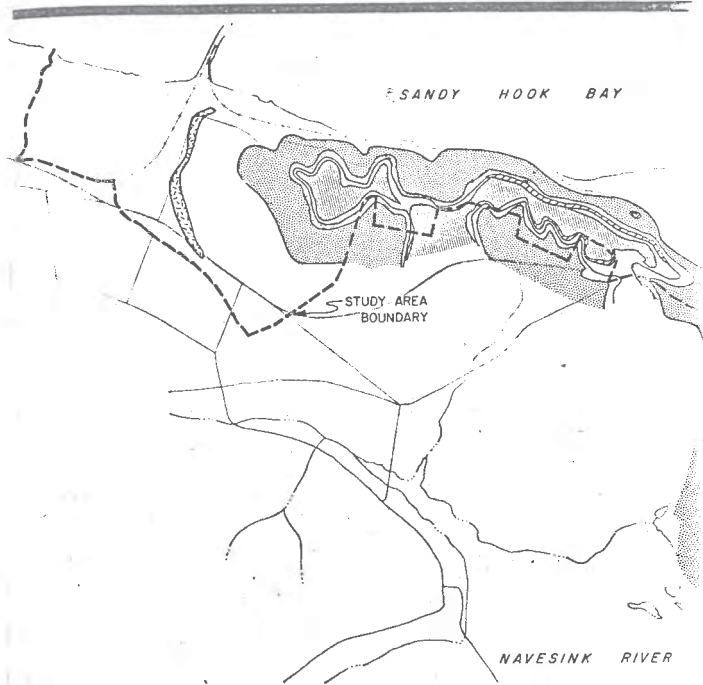
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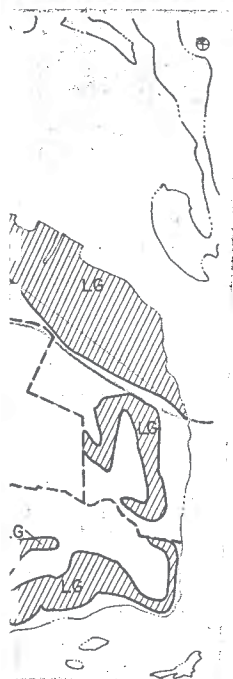
- LEGEND
- COHANSEY SAND
 - VINCENTOWN FORMATION
 - TINTON SAND
 - RED BANK SAND, SHREWSBURY MEM.
 - WENONAH FORMATION

FOR GENERAL NOTES, SEE DRAWING No.1

13100 GARY S. SALZMAN, P.E. 9-27-78
N.J. LICENSE NO. SIGNATURE DATE
AQUIFER OUTCROP ZONES
ATLANTIC HIGHLANDS-HIGHLANDS
NEW JERSEY
FOR ECOL SCIENCES, INC.
Scale 1:24000 Project No. C7807-12
Date 9-12-78
Prepared by JAP Drawing No. 6
Checked by SRR
Approved by GSS
ConverseWardDavisDixon Geotechnical Consultants



ADAPTED FROM "GEOLOGICAL MAP AND SECTION
OF THE SANDY HOOK QUADRANGLE", MONMOUTH
COUNTY, N.J., U.S.G.S. BULLETIN 1276
(MINARD, 1969), AND MODIFIED BY INTER-
RETATION OF STEREO PAIRS OF AERIAL
PHOTOS.

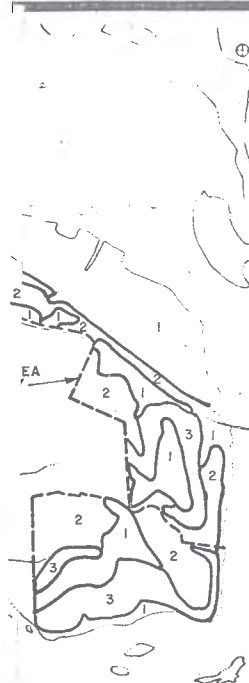
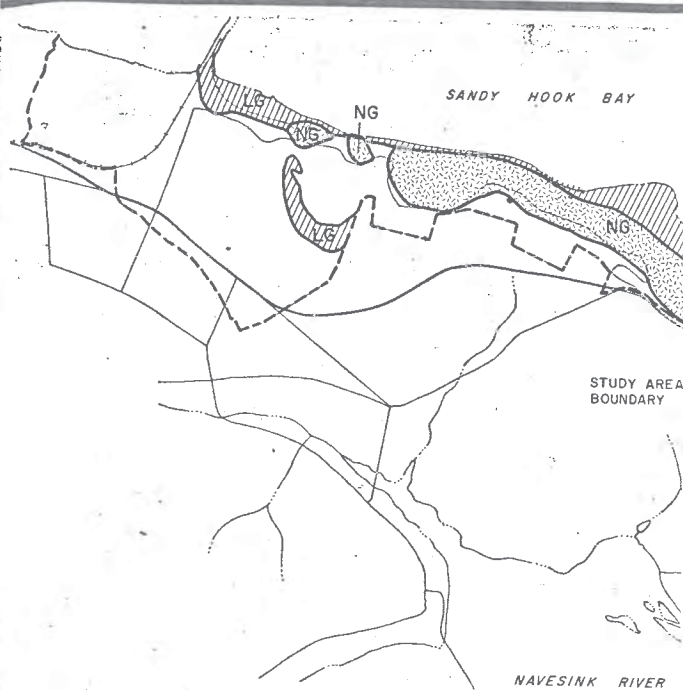


LEGEND

- LG** LIMITED GROWTH (STEEP SLOPES AND SHORE AREAS)
- NG** NO GROWTH (VERY STEEP SLOPES AND SLUMP BLOCK AREAS)

FOR GENERAL NOTES, SEE DRAWING No.1

13100	GARY S. SALZMAN, P.E.	9-27-78
N.J. LICENSE NO.	SIGNATURE	DATE
ENVIRONMENTAL CONSTRAINTS MAP		
ATLANTIC HIGHLANDS - HIGHLANDS		
NEW JERSEY		
OR ECOL SCIENCES, INC.		
Scale: 1"=2000'	Project No.	
Date: 9-15-78	C7807-12	
Prepared by: JAP	Drawing No.	
Checked by: SRR	7	
Approved by: GSS		
ConverseWardDavisDixon Geotechnical Consultants		



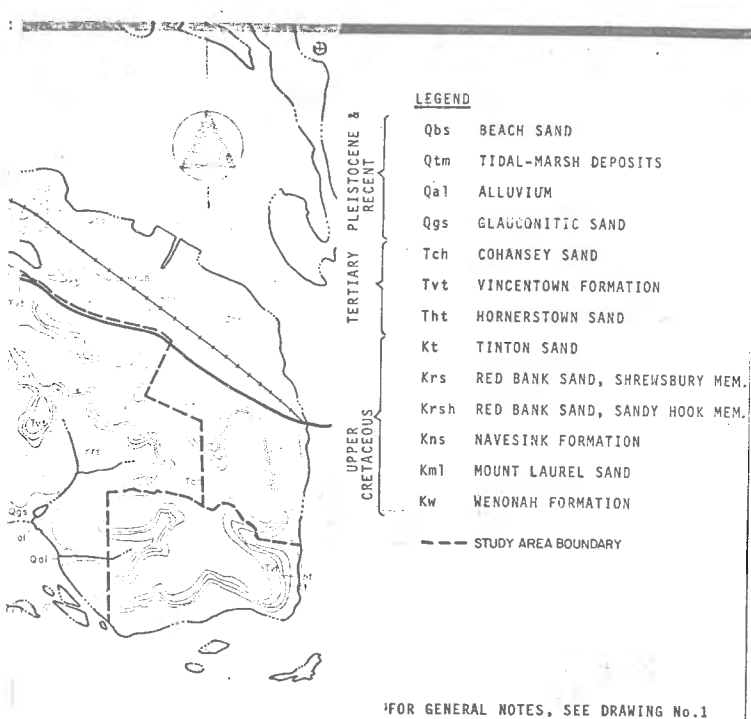
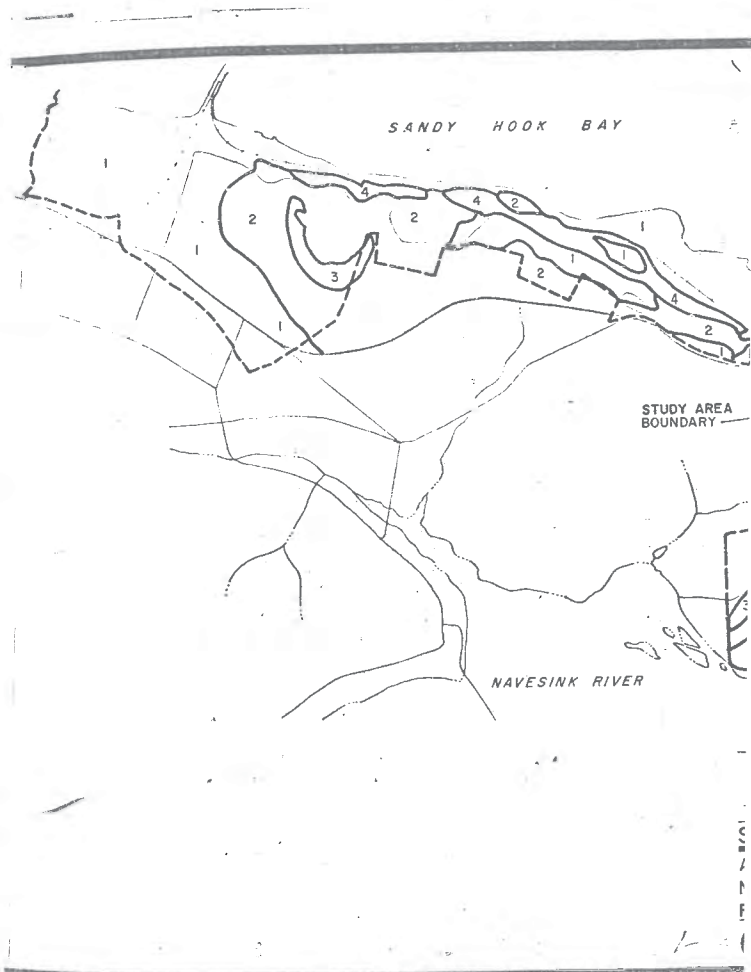
LEGEND

- 1 = 0-5%
- 2 = 5-15%
- 3 = 15-30%
- 4 = >30%

NOTE: NO GROWTH SHOULD OCCUR IN AREAS DESIGNATED AS 4. GROWTH SHOULD BE LIMITED IN AREAS DESIGNATED AS 3.

FOR GENERAL NOTES, SEE DRAWING No.1

13100	GARY S. SALZMAN, P.E.	9-27-78
N.J. LICENSE NO.	SIGNATURE	DATE
SLOPE MAP		
ATLANTIC HIGHLANDS - HIGHLANDS		
NEW JERSEY		
FOR ECOL SCIENCES, INC.		
Scale: 1"=24000'	Project No.	
Date: 9-11-78	C7807-12	
Prepared by: JAP	Drawing No.	
Checked by: SRR	8	
Approved by: GSS		
ConverseWardDavisDixon Geotechnical Consultants		



LEGEND

Qbs	BEACH SAND
Qtm	TIDAL-MARSH DEPOSITS
Qal	ALLUVIUM
Qgs	GLAUCONITIC SAND
Tch	COHANSEY SAND
Tvt	VINCETOWN FORMATION
Tht	HORNERSTOWN SAND
Kt	TINTON SAND
Krs	RED BANK SAND, SHREWSBURY MEM.
Krsh	RED BANK SAND, SANDY HOOK MEM.
Kns	NAVESINK FORMATION
Kml	MOUNT LAUREL SAND
Kw	WENONAH FORMATION

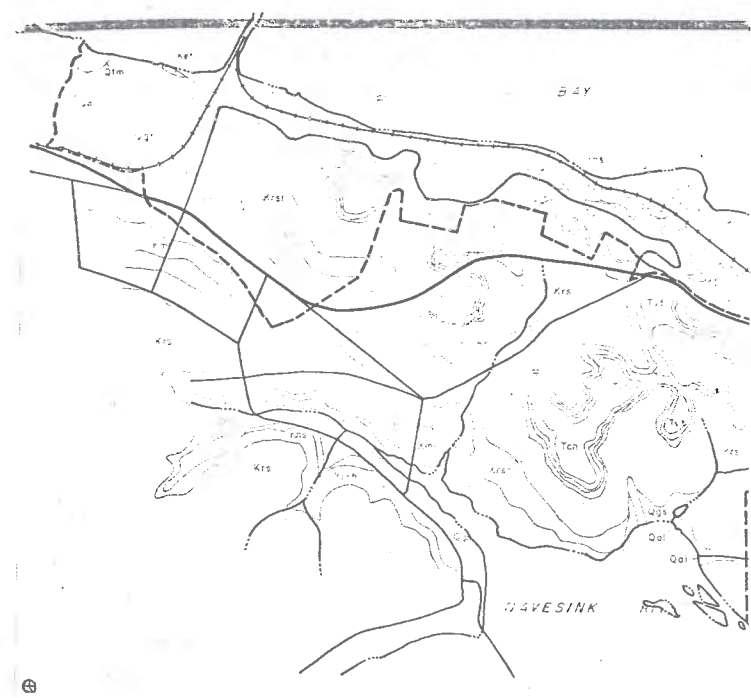
--- STUDY AREA BOUNDARY

FOR GENERAL NOTES, SEE DRAWING No.1

13100 GARY S. SALZMAN, P.E. 9-27-78
 N.J. LICENSE NO. SIGNATURE DATE
GEOLOGY MAP
 ATLANTIC HIGHLANDS-HIGHLANDS
 NEW JERSEY
 FOR ECOL SCIENCES, INC.

Scale	1:24000	Project No.	
Date	9-1-78	Drawing No.	C7807-12
Prepared by	JAP		
Checked by	SRR		9
Approved by	GSS		

ConverseWardDavisDixon Geotechnical Consultants



MAP SOURCE: BASE MAP WAS ADAPTED FROM U.S. DEPT. OF COMMERCE
 NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION, NATIONAL
 OCEAN SURVEY, 72nd EDITION, AUG. 1978, No. 12327.

13100 GARY S. SALZMAN, P.E. 11-15-78
 N.J. LICENSE NO. SIGNATURE DATE
GEOLOGY MAP
 ATLANTIC HIGHLANDS-HIGHLANDS
 NEW JERSEY
 FOR ECOL SCIENCES, INC.

Scale	1:40,000	Project No.	C7807-12
Date	11-15-78	Drawing No.	9
Prepared by	JAP		
Checked by	SRR		10
Approved by	GSS		

ConverseWardDavisDixon Geotechnical Consultants

GEOLOGIC INFORMATION WAS OBTAINED FROM A MAP
 ENTITLED "GEOLOGIC MAP AND SECTION OF THE SANDY
 HOOK QUADRANGLE, MONMOUTH COUNTY, NEW JERSEY"
 BULLETIN 1276, PLATE 1. (FROM MINARD, 1969).

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APPENDIX H
BOROUGH OF HIGHLANDS RESOLUTION #24-221
DESIGNATION OF CONDITIONAL REDEVELOPER FOR SHADOWLAWN
REDEVELOPMENT AREA
DATED DECEMBER 18, 2024



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 24-221

DESIGNATING SCENIC HIGHLANDS OWNER, LLC AS THE CONDITIONAL REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 105.107, LOT 1.1 LOCATED WITHIN THE SHADOW LAWN MOBILE HOME PARK REDEVELOPMENT AREA AND AUTHORIZING THE EXECUTION OF AN INTERIM COSTS AGREEMENT WITH RESPECT THERETO

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the "**Redevelopment Law**"), authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, on March 21, 2018, the Council of the Borough of Highlands, a municipal corporation in the County of Monmouth and the State of New Jersey (the "**Borough**"), in accordance with the Redevelopment Law, duly adopted Resolution No. 18-069 designating certain real property commonly referred to as the Shadow Lawn Mobile Home Park and identified as Block 105.107, Lot 1.1 on the tax map of the Borough as an area in need of redevelopment (the "**Redevelopment Area**"); and

WHEREAS, on December 19, 2018, the Borough adopted the Shadow Lawn Mobile Home Park Redevelopment Plan for the Redevelopment Area (the "**Redevelopment Plan**"), establishing the development standards for the redevelopment of the Redevelopment Area; and

WHEREAS, Scenic Highlands Owner, LLC (the "**Company**") is the contract purchaser of the Redevelopment Area; and

WHEREAS, the Company proposes to develop the Redevelopment Area with up to five (5) six (6) story residential buildings, including two (2) stories below grade for parking with approximately (i) 300 rental units including a 15% set aside for affordable units; and (ii) associated parking, clubhouse, and amenity spaces (the "**Project**"); and

WHEREAS, the Borough wishes to engage in preliminary negotiations with the Company in furtherance of the redevelopment of the Redevelopment Area thereby, in particular to negotiate a more comprehensive agreement(s) that will memorialize the terms and conditions under which the Company will redevelop the Redevelopment Area (the "**Redevelopment Agreement**"); and

WHEREAS, the Borough has determined that in order to coordinate the redevelopment of the Redevelopment Area in the most timely and efficient manner, it is in the best interests of the Borough to designate the Company as the conditional redeveloper of the Redevelopment Area (the "**Conditional Redeveloper**"), pending the negotiation and execution of, among other agreements, a Redevelopment Agreement with the Borough; and

WHEREAS, the Borough desires to authorize the execution of an interim costs agreement with the Company (in the form attached hereto as **Exhibit A**, the "**Interim Costs Agreement**") for the purpose of creating a framework for the negotiation and execution of a Redevelopment Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Highlands as follows:

Section 1. The foregoing recitals are hereby incorporated by reference as if fully set forth herein.

Section 2. The Company is hereby designated as the Conditional Redeveloper of the Redevelopment Area pending the execution of a Redevelopment Agreement with the Borough.

Section 3. The within designation is hereby made for a limited period of one hundred eighty (180) days, or as otherwise may be extended in accordance with Section 4 hereof, during which time negotiation and execution of a redevelopment agreement and other related items with the Borough shall be completed.

Section 4. The Mayor or Borough Administrator (each an "**Authorized Officer**") in each of their sole discretion, after consultation with such counsel and any advisors to the Borough, may extend the time period set forth in Section 3 hereof for an additional period not to exceed ninety (90) days.

Section 5. The within designation is contingent upon (i) the Company providing any additional Project related information as may be requested by the Borough; (ii) the Company agreeing to reimburse the Borough for any and all Interim Costs (as defined in the Interim Costs Agreement) in accordance with the Interim Costs Agreement and (iii) negotiating and executing a Redevelopment Agreement between the Borough and the Company.

Section 6. In the event that the Company has not executed a redevelopment agreement with the Borough, all in accordance with the time periods set forth in Section 1 hereof, or as otherwise may be extended by an Authorized Officer, in such Authorized Officer's sole discretion, in accordance with Section 2 hereof, the Borough's conditional designation of the Company as redeveloper for the Redevelopment Area shall expire and be of no further force and effect and the Borough shall have no further obligation to the Company.

Section 7. The The Mayor and Borough Clerk are hereby authorized and directed to execute the Interim Costs Agreement, with such changes, omissions or amendments as

such officer deems appropriate in consultation with the Borough’s redevelopment counsel and other professionals.

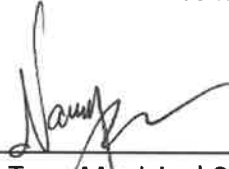
Section 8. This resolution shall take effect immediately.

Motion to Approve R 24-221:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES						X
CHELAK		X	X			
MELNYK						X
OLSZEWSKI			X			
BROULLON	X		X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk’s Office.

DATE OF VOTE: December 18, 2024



Nancy Tran, Municipal Clerk
Borough of Highlands

APPENDIX I
BOROUGH OF HIGHLANDS
ORDINANCE O-19-17
DATED OCTOBER 16, 2019



**BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH**

ORDINANCE O-19-17

**AN ORDINANCE OF THE BOROUGH OF HIGHLANDS AMENDING
THE GENERAL CODE OF THE BOROUGH OF HIGHLANDS
CREATING CHAPTER XXVI ENTITLED “AFFORDABLE HOUSING,”
TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT
AND THE UNIFORM HOUSING AFFORDABILITY CONTROLS
REGARDING COMPLIANCE WITH THE BOROUGH’S AFFORDABLE
HOUSING OBLIGATIONS**

NOW THEREFORE, BE IT ORDAINED that Chapter XXVI of the Code of the Borough of Highlands shall be created as follows:

SECTION 1.

Chapter XXVI Affordable Housing

26-1 Affordable Housing

26-1.1 Monitoring and Reporting Requirements.

The Borough of Highlands shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Housing Element and Fair Share Plan:

- a. Beginning on July 1, 2020, and on every anniversary of that date through July 1, 2025, the Borough shall provide annual reporting of its Affordable Housing 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 (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJDCA), Council on Affordable Housing (COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
- b. Beginning on July 1, 2020, and on every anniversary of that date through July 1, 2025, the Borough shall 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 COAH or any other forms endorsed by the Special Master and FSHC.

- c. By July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its 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 FSHC, 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.
- d. By July 1, 2020, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very low-income requirements, including its family very low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income and family very low-income housing obligations.

26-1.2 Definitions.

The following terms when used in this Ordinance shall have the meanings given in this Section:

“Act” means the Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.)

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

“Administrative agent” means the entity designated by the Borough to administer affordable units in accordance with this Ordinance, N.J.A.C. 5:93, and UHAC (N.J.A.C. 5:80-26).

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

“Affordability average” means the average percentage of median income at which new restricted units in an affordable housing development are affordable to very low-, low- and moderate-income households.

“Affordable” means, a sales price or rent level that is within the means of a low- or moderate-income household as defined within N.J.A.C. 5:93-7.4, and, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

“Affordable housing development” means a development included in or approved pursuant to the Housing Element and Fair Share Plan or otherwise intended to address the Borough’s fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Alternative living arrangement” means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

“Assisted living residence” means a facility that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a very low-income, low-income household or moderate-income household.

“COAH” means the Council on Affordable Housing, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.).

“DCA” means the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land included in a proposed development including the holder of an option to contract to purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or

change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1, et seq.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

“Low-income household” means a household with a total gross annual household income equal to 50 percent or less of the regional median household income by household size.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

“Market-rate units” means housing not restricted to very low-, low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable housing region, as adopted annually by COAH or a successor entity approved by the Court.

“Moderate-income household” means a household with a total gross annual household income in excess of 50 percent but less than 80 percent of the regional median household income by household size.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1 et. seq, as amended and supplemented, but does not include a market-rate unit financed under the Urban Homeownership Recovery Program or Market Oriented Neighborhood Investment Program.

“Settlement Agreement” means the settlement agreement between the Borough of Highlands and Fair Share Housing Center dated June 19, 2019, executed on June 25, 2019 in IMO Borough of Highlands, Docket No. MON-L-0012-17.

“UHAC” means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1, et seq.

“Very low-income household” means a household with a total gross annual household income equal to or less than 30 percent of the regional median household income by household size.

“Very low-income unit” means a restricted unit that is affordable to a very low-income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

26-1.3 Applicability.

- a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Borough of Highlands pursuant to the Borough’s most recently adopted Housing Element and Fair Share Plan and the Settlement Agreement.
- b. This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units, including any currently unanticipated future developments that will provide very low-, low- and moderate-income housing units, and also including projects funded with Low Income Housing Tax Credits.

26-1.4 Alternative Living Arrangements.

- a. The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:
 1. Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
 2. Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).
- b. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.

- c. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

26-1.5 Phasing Schedule for Inclusionary Zoning.

In inclusionary developments, the following schedule for the issuance of certificates of occupancy for the required affordable housing units relative to the issuance of certificates of occupancy for the permitted market units shall be followed:

Maximum Percentage of Market-Rate Units Completed (COs Issued)	Minimum Percentage of Low- and Moderate-Income Units Completed (COs Issued)
25	0
25+1	10
50	50
75	75
90	100

26-1.6 New Construction.

- a. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
 1. The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit. At least 13 percent of all restricted rental units within each bedroom distribution shall be very low-income units (affordable to a household earning 30 percent or less of regional median income by household size). The very low-income units shall be counted as part of the required number of low-income units within the development.
 2. At least 25 percent of the obligation shall be met through rental units, including at least half in rental units available to families.
 3. A maximum of 25 percent of the Borough's obligation may be met with age restricted units. At least half of all affordable units in the Borough's Plan shall be available to families.
 4. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be very low or low-income units including that 13% shall be very-low income.
 5. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:

- (a) The combined number of efficiency and one-bedroom units shall be no greater than 20 percent of the total low- and moderate-income units;
 - (b) At least 30 percent of all low- and moderate-income units shall be two-bedroom units;
 - (c) At least 20 percent of all low- and moderate-income units shall be three-bedroom units; and
 - (d) The remaining units may be allocated among two- and three-bedroom units at the discretion of the developer.
- 6. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted very low-, low- and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.
- b. Accessibility Requirements:
 - 1. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7 and the following:
 - 2. All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:
 - (a) An adaptable toilet and bathing facility on the first floor; and
 - (b) An adaptable kitchen on the first floor; and
 - (c) An interior accessible route of travel on the first floor; and
 - (d) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - (e) If not all of the foregoing requirements in 2(a) through 2(d) can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs 2(a) through 2(d) above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and
 - (f) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a, et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that Highlands Borough has collected funds from the developer sufficient to make 10 percent of the adaptable entrances in the development accessible:
 - i. Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will

reside in the dwelling unit, an accessible entrance shall be installed.

- ii. To this end, the builder of restricted units shall deposit funds within the Borough of Highlands Affordable Housing Trust Fund sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.
- iii. The funds deposited under paragraph (f)ii above shall be used by the Borough of Highlands for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
- iv. The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Borough of Highlands for the conversion of adaptable to accessible entrances.
- v. Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Borough's Affordable Housing Trust Fund in care of the Borough Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

- (g) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.

3. Design:

- (a) In inclusionary developments, to the extent possible, very low-, low- and moderate-income units shall be integrated with the market units.
- (b) In inclusionary developments, very low-, low- and moderate-income units shall have access to all of the same common elements and facilities as the market units.

4. Maximum Rents and Sales Prices:

- (a) In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and using the calculation set forth below. Income limits for all affordable units that are created in the Borough for which income limits are not already established

through a federal program exempted from the UHAC pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Borough annually within 30 days of the publication of determinations of median income by the Department of Housing and Urban Development ("HUD") as follows:

- i. Regional income limits shall be established for the region within which the Borough is located based on the median income by household size, which shall be established by a regional weighted average of uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within a housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Borough's housing region. This quotient represents the original 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.
- ii. The income limits are the result of applying the percentages set forth in paragraph (i) above to HUD's determination of median income for the fiscal year 2019 and shall be utilized until the Borough updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- iii. 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 Borough annually by taking the percentage increase of the income limits calculated pursuant to paragraph (i) 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.
- iv. The resale prices of owner-occupied very low-, low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region determined pursuant to the above methodology. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

- v. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.
- (b) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52 percent of median income.
- (c) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13 percent of all low- and moderate-income rental units shall be affordable to very low-income households, which very low-income units shall be part of the low-income requirement.
- (d) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income ownership units must be available for at least two different sales prices for each bedroom type.
- (e) In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:
 - i. A studio shall be affordable to a one-person household;
 - ii. A one-bedroom unit shall be affordable to a one- and one-half-person household;
 - iii. A two-bedroom unit shall be affordable to a three-person household;
 - iv. A three-bedroom unit shall be affordable to a four and one-half person household; and
 - v. A four-bedroom unit shall be affordable to a six-person household.
- (f) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:
 - i. A studio shall be affordable to a one-person household;

- ii. A one-bedroom unit shall be affordable to a one- and one-half-person household; and
 - iii. A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
 - iv. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28 percent of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (g) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
 - (h) The price of owner-occupied very low-, 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.
 - (i) The rents of very low-, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the Northeast Urban Area. This increase shall not exceed nine percent in any one year. Rent increases for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low- income housing tax credits.

26-1.7 Utilities.

- a. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.
- b. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.

26-1.8 Occupancy Standards.

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

- a. Provide an occupant for each bedroom;

- b. Provide children of different sexes with separate bedrooms;
- c. Provide separate bedrooms for parents and children; and
- d. Prevent more than two persons from occupying a single bedroom.

26-1.9 Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- a. Control periods for newly constructed restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, except as modified by the terms of the settlement agreement between the Borough of Highlands and Fair Share Housing Center (FSHC), as said settlement agreement may be further amended and supplemented, and each newly constructed restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Highlands Borough takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, except as modified by the terms of the settlement agreement between the Borough of Highlands and Fair Share Housing Center (FSHC), as said settlement agreement may be further amended and supplemented.
- b. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- c. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
- d. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit
- e. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- f. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

26-1.10 Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.6, as may be amended and supplemented, including:

- a. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
- b. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- c. The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by very low-, low- and moderate-income purchasers and those paid by market purchasers.
- d. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of approved capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Section 26-1.13.

26-1.11 Buyer Income Eligibility.

- a. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80 percent of median income.
- b. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Borough Council, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.
- c. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
- d. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33 percent of the household's eligible monthly income.

26-1.12 Limitations on Indebtedness Secured by Ownership Unit; Subordination.

- a. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed

indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.

- b. With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C.5:80-26.6(b).

26-1.13 Capital Improvements to Ownership Units.

- a. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.
- b. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

26-1.14 Control Periods for Restricted Rental Units.

- a. Control periods for newly constructed restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, except as modified by the terms of the settlement agreement between the Borough of Highlands and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented, and each newly constructed restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Highlands Borough takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.11, except as modified by the terms of the settlement agreement between the Borough of Highlands and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented.
- b. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and

the deed restriction shall be filed by the developer or seller with the records office of the County of Monmouth. The deed shall also identify each affordable unit by apartment number and/or address and whether that unit is designated as a very low, low or moderate income unit. Neither the unit nor its affordability designation shall change throughout the term of the deed restriction. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

- c. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - 1. Sublease or assignment of the lease of the unit;
 - 2. Sale or other voluntary transfer of the ownership of the unit; or
 - 3. The entry and enforcement of any judgment of foreclosure on the property containing the unit.

26-1.15 Rent Restrictions for Rental Units; Leases.

- a. A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- b. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- c. Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
- d. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

26-1.16 100% Affordable Projects.

All 100% affordable projects, including projects funded through Low Income Housing Tax Credits, shall comply with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1, et. seq., except as modified by the terms of the settlement agreement executed between the Borough of Highlands and Fair Share Housing Center (FSHC), as such settlement agreement may be further amended and supplemented. All such projects shall be required to have an initial thirty (30) year affordability control period plus a fifteen (15) year extended use period.

26-1.17 Tenant Income Eligibility.

- a. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:

1. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30 percent of the regional median household income by household size.
 2. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50 percent of the regional median household income by household size.
 3. Moderate-income rental units shall be reserved for households with a gross household income less than 80 percent of the regional median household income by household size.
- b. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
1. The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 2. The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 3. The household is currently in substandard or overcrowded living conditions;
 4. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 5. The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- c. The applicant shall file documentation sufficient to establish the existence of the circumstances in a.1. through b.5. above with the Administrative Agent, who shall counsel the household on budgeting.

26-1.18 Municipal Housing Liaison.

- a. There is hereby created the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Highlands Borough, including the following responsibilities which may not be contracted out to the Administrative Agent:
1. Serving as Highlands Borough's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;

2. Monitoring the status of all restricted units in Highlands Borough's Fair Share Plan;
 3. Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this Ordinance;
 4. Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and
 5. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.
- b. The Borough of Highlands shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Borough's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance with the Borough's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). Highlands Borough shall adopt a Resolution appointing the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee.
 - c. Subject to the approval of the Court, the Borough of Highlands shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Borough in accordance with this Ordinance and UHAC. An Operating Manual for each affordable housing program shall be provided by the administrative agent(s) to be adopted by resolution of the governing body and subject to approval of the court. The Operating Manual(s) shall be available for public inspection in the office of the Borough Clerk, in the office of the municipal housing liaison, and in the office(s) of the administrative agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).

26-1.19 Administrative Agent.

An Administrative Agent may either be an independent entity serving under contract to and reporting to the municipality, or the municipality itself, through a designated municipal employee, department, board, agency or committee, pursuant to N.J.A.C. 5:80-26.14(c). *The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.* The Administrative Agent shall be qualified through a training program sponsored by the Affordable Housing Professionals of New Jersey before assuming the duties. The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 15, 16 and 18 thereof, which includes:

- a. Affirmative Marketing:

1. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Borough of Highlands and the provisions of N.J.A.C. 5:80-26.15; and
2. Providing counseling or contracting to provide counseling services to very low-, low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

b. Household Certification:

1. Soliciting, scheduling, conducting and following up on interviews with interested households;
2. Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
3. Providing written notification to each applicant as to the determination of eligibility or non-eligibility;
4. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;
5. Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;
6. Employing a random selection process as provided in the Affirmative Marketing Plan of the Borough of Highlands when referring households for certification to affordable units; and
7. Notifying the following entities of the availability of affordable housing units in the Borough of Highlands: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch Branches of the NAACP, and the Supportive Housing Association.

c. Affordability Controls:

1. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
2. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
3. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Monmouth County Register of Deeds or Monmouth County Clerk's office after the termination of the affordability controls for each restricted unit;

4. Communicating with lenders regarding foreclosures; and
5. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

d. Resales and Re-rentals:

1. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental; and
2. Instituting and maintaining an effective means of communicating information to low- (or very low-) and moderate-income households regarding the availability of restricted units for resale or re-rental.

e. Processing Requests from Unit Owners:

1. Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;
2. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
3. Notifying the municipality of an owner's intent to sell a restricted unit; and
4. Making determinations on requests by owners of restricted units for hardship waivers.

f. Enforcement:

1. Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
2. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
3. Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;
4. Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;

5. Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and
6. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Borough Council and the Court, setting forth procedures for administering the affordability controls. The Operating Manual(s) shall be available for public inspection in the office of the Borough Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s).

g. Additional Responsibilities:

1. The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.
2. The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this Ordinance.
3. The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

26-1.20 Affirmative Marketing Requirements.

- a. The Borough of Highlands shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.
- b. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 4 and is required to be followed throughout the period of restriction.
- c. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 4, comprised of Mercer, Monmouth and Ocean Counties.
- d. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Borough of Highlands shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.

- e. In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to very low-, low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- f. The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.
- g. The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
- h. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
- i. In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in Highlands Borough, and copies of the application forms, to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch Branches of the NAACP, and the Supportive Housing Association.
- j. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

26-1.21 Enforcement of Affordable Housing Regulations.

- a. Upon the occurrence of a breach of any of the regulations governing an affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- b. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - 1. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the Owner,

Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the Court:

- (a) A fine of not more than \$500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
- (b) In the case of an Owner who has rented a very low-, low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Borough of Highlands Affordable Housing Trust Fund of the gross amount of rent illegally collected;
- (c) In the case of an Owner who has rented a very low-, low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

2. The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- or moderate-income unit.

- (a) The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the very low-, low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.
- (b) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the very low-, low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year

period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

- (c) Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the very low-, low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- (d) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the very low-, low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the very low-, low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- (e) Failure of the very low-, low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the very low-, low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- (f) The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

26-1.22 Appeals.

Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Court.

26-2 Affordable Housing Mandatory Set-Aside

26-2.1 Purpose

This section is intended to ensure that any site that creates new multi-family residential development approved by the Borough or the Borough Land Use Board that results in multi-family residential development of five (5) dwelling units or more produces affordable housing at a set-aside rate of twenty percent (20%) for for-sale affordable units and at a set-aside rate of fifteen percent (15%) for rental affordable units. This section shall apply except where inconsistent with applicable law.

26-2.2 Affordable Housing Mandatory Set-Aside Requirement

If the Borough or the Borough Land Use Board permits the construction of multi-family or single-family attached residential development that is “approvable” and “developable,” as defined at N.J.A.C. 5:93-1.3, the Borough or the Borough’s Land Use Board shall require that an appropriate percentage of the residential units be set aside for low and moderate income households. This requirement shall apply beginning with the effective date the Ordinance creating this section was adopted to any multi-family or single-family attached residential development, including the residential portion of a mixed-use project, which consists of five (5) or more new residential units, whether permitted by a zoning amendment, a variance granted by the Borough’s Land Use Board, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation. Nothing in this paragraph precludes the Borough or the Borough’s Land Use Board from imposing an affordable housing set-aside in a development not required to have a set-aside pursuant to this paragraph consistent with N.J.S.A. 52:27D-311(h) and other applicable law.

For all inclusionary projects, the appropriate set-aside percentage will be twenty percent (20%) for for-sale units and fifteen percent (15%) for rental units. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed project.

This requirement does not apply to any sites or specific zones otherwise identified in the Borough’s Settlement Agreement with FSHC, which was executed by the Borough on June 25, 2019, or in the Borough’s Housing Element and Fair Share Plan, which was adopted by the Borough Land Use Board on October 3, 2019 and endorsed by the Borough Council on October 16, 2019, for which density and set-aside standards shall be governed by the specific standards set forth therein.

Furthermore, this section shall not apply to developments containing four (4) or less dwelling units. All subdivision and site plan approvals of qualifying residential developments shall be conditioned upon compliance with the provisions of this section. Where a developer demolishes existing dwelling units and builds new dwelling units on the same site, the provisions of this section shall apply only if the net number of dwelling units is five (5) or more.

26-3. Development Fees

26-3.1 Purpose

- a. In Holmdel Builder's Association v. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:27d-301 *et seq.*, and the State Constitution, subject to the adoption of Rules by the Council on Affordable Housing (COAH).
- b. Pursuant to P.L. 2008, c. 46, Section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that were under the jurisdiction of COAH and that are now before a court of competent jurisdiction and have a Court-approved Spending Plan may retain fees collected from non-residential development.
- c. This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this section shall be used for the sole purpose of providing low- and moderate-income housing in accordance with a Court-approved Spending Plan.

26-3.2 Basic Requirements

- a. This Ordinance shall not be effective until approved by the Court.
- b. The Borough of Highlands shall not spend development fees until the Court has approved a plan for spending such fees (Spending Plan).

26-3.3 Definitions

The following terms, as used in this Chapter, shall have the following meanings:

"Affordable housing development" means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

"Borough" means the Borough of Highlands

"COAH" or the "Council" means the New Jersey Council on Affordable Housing established under the Fair Housing Act.

"Construction Official" means the construction office or his/her designee.

"Development fee" means money paid by a developer for the improvement of property as permitted at N.J.A.C. 5:97-8.3.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c.123 (C.54:1-35a through C.54:1-35c).

“Green building strategies” means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

26-3.4 Residential Development Fees

a. Imposition of Fees

1. Within the Borough of Highlands, all residential developers, except for developers of the types of developments specifically exempted below and developers of developments that include affordable housing, shall pay a fee of one and a half percent (1.5%) of the equalized assessed value for all new residential development provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.
2. When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70(d)(5), developers shall be required to pay a “bonus” development fee of six percent (6%) percent of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.
3. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.

b. Eligible Exactions, Ineligible Exactions and Exemptions for Residential Developments

1. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
2. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development

fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

3. Developers of educational facilities shall be exempt from paying a development fee.
4. Developers of houses of worship and other uses that are entitled to exemption from New Jersey real property tax shall be exempt from the payment of a development fee, provided that such development does not result in the construction of any additional housing or residential units, including assisted living and continuing care retirement communities.
5. A development shall be exempt from an increase in the percentage of the development fee, provided the building permit was issued prior to the effective date of this article, or prior to any subsequent ordinance increasing the fee percentage. The developer shall have the right to pay the fee based on the percentage in effect on the date the building permit was issued.
6. Any development or improvement to structures of owner-occupied property in which there is located an affordable accessory residence. This exemption shall only apply to development or improvements to the property during the period of affordability controls.
7. The construction of a new accessory building or other structure on the same lot as the principal building shall be exempt from the imposition of development fees if the assessed value of the structure is determined to be less than \$100,000.

26-3.5 Non-Residential Development Fees

a. Imposition of Fees

1. Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
2. Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
3. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure, i.e. land and improvements, and such calculation shall be made at the time a final Certificate of Occupancy is issued. If the calculation required under this Section results in a negative number, the non-residential development fee shall be zero.
4. The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the development fee of 2.5% unless otherwise exempted below.

b. Eligible Exactions, Ineligible Exactions and Exemptions for Non-residential Development

1. The two and a half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.
2. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption". Any exemption claimed by a developer shall be substantiated by that developer.
3. A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final Certificate of Occupancy for the non-residential development, whichever is later.
4. If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this Section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Borough of Highlands as a lien against the real property of the owner.
5. Pursuant to P.L. 2009, c. 90 and P.L.2011, c. 122, the non-residential statewide development fee of two and one-half (2.5%) percent for non-residential development is suspended for all non-residential projects that received preliminary or final site plan approval subsequent to July 17, 2008 until July 1, 2013, provided that a permit for the construction of the building has been issued prior to January 1, 2015.

26-3.6 Collection Procedures

- a. Upon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a Construction Permit.
- b. For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/ Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- c. The Construction Official responsible for the issuance of a Construction Permit shall notify the Borough Tax Assessor of the issuance of the first Construction Permit for a development which is subject to a development fee.

- d. Within 90 days of receipt of such notification, the Borough Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.
- e. The Construction Official responsible for the issuance of a final Certificate of Occupancy shall notify the Borough Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.
- f. Within 10 business days of a request for the scheduling of a final inspection, the Borough Tax Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- g. Should the Borough of Highlands fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 37 of P.L. 2008, c.46 (C.40:55D-8.6).
- h. Except as provided in hereinabove, fifty percent (50%) of the initially calculated development fee shall be collected at the time of issuance of the Construction Permit. The remaining portion shall be collected at the time of issuance of the Certificate of Occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the Construction Permit and that determined at the time of issuance of the Certificate of Occupancy.
- i. Appeal of Development Fees
 - 1. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Borough of Highlands. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - 2. A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Borough of Highlands. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

26-3.7 Affordable Housing Trust Fund

- a. There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of the Borough of Highlands for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.

- b. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 1. Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by Ordinance or by Agreement with the Borough of Highlands;
 2. Funds contributed by developers to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 3. Rental income from municipally operated units;
 4. Repayments from affordable housing program loans;
 5. Recapture funds;
 6. Proceeds from the sale of affordable units; and
 7. Any other funds collected in connection with Highland Borough's affordable housing program.
- c. In the event of a failure by the Borough of Highlands to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within the Borough of Highlands, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund. The Court may also impose such other remedies as may be reasonable and appropriate to the circumstances.
- d. Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

26-3.8 Use of Funds

- a. The expenditure of all funds shall conform to a Spending Plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the Court to address the Borough of Highlands' fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs;

accessory apartments; a market to affordable program; Regional Housing Partnership programs; conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost saving and in accordance with accepted national or State standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by the Court and specified in the approved Spending Plan.

- b. Funds shall not be expended to reimburse the Borough of Highlands for past housing activities.
- c. At least 30 percent of all development fees collected and interest earned on such fees shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of the median income for Housing Region 4, in which Highlands Borough is located.
 - 1. Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
 - 2. Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the Spending Plan.
 - 3. Payments in lieu of constructing affordable housing units on site, if permitted by Ordinance or by Agreement with the Borough of Highlands, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- d. The Borough of Highlands may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.
- e. No more than 20 percent of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare a Housing Element and Fair Share Plan, and/or administer an affirmative marketing program or a rehabilitation program.
 - 1. In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20 percent of collected development fees that may be expended on administration.
 - 2. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements.

Legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

26-3.9 Monitoring

The Borough of Highlands shall provide annual reporting of Affordable Housing Trust Fund activity to the State of 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 Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Borough), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Borough owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Highlands Borough's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

26-3.10 Ongoing Collection of Fees

- a. The ability for the Borough of Highlands to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its Judgment of Compliance unless the Borough of Highlands has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a Judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan.
- b. If the Borough of Highlands fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (C. 52:27D-320).
- c. The Borough of Highlands shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment of Compliance, nor shall the Borough of Highlands retroactively impose a development fee on such a development. The Borough of Highlands also shall not expend any of its collected development fees after the expiration of its Judgment of Compliance.

SECTION 2. At least three copies of said full Ordinance are on file in the Office of the Municipal Clerk for public examination and acquisition. Copies are available for inspection or acquisition during regular weekday working hours and arrangements have been made for the publication of said proposed Ordinance in pamphlet or other similar form which will be available for purchase from the Borough Clerk.

SECTION 3. This ordinance shall take effect upon final passage and publication according to law.

SECTION 4. The Borough Clerk is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the County Planning Board, and to all others entitled thereto pursuant to the provisions of N.J.S.A. 40:55D-15. Upon adoption of this Ordinance, after public hearing thereon, the Borough Clerk is further directed to publish notice of passage thereof and file a copy of this Ordinance as finally adopted with the County Planning Board as required by N.J.S.A. 40:55D-16 and with the Borough Tax Assessor.

SECTION 5. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 6. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions.

Motion to Introduce Ordinance 19-17:

	INTRODUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
BRASWELL			X			
BROULLON	X		X			
MAZZOLA		X	X			
RYAN			X			
O'NEIL			X			

I, Matthew Conlon, RMC, Municipal Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, hereby certify this to be a true copy of the action of the Governing Body, at its Council Meeting, held October 2, 2019. WITNESS my hand this 17th day of October 2019.

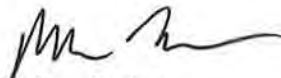


Matthew Conlon, RMC
Municipal Clerk
Borough of Highlands, New Jersey

Public Hearing, Final Reading and Adoption PUBLIC HEARING DATE October 16, 2019
of Ordinance 19-17:

	INTRODUCED	SECONDED	AYE	NAY	ABSTAIN	ABSENT
BRASWELL			X			
BROULLON		X	X			
MAZZOLA			X			
RYAN	X		X			
O'NEIL			X			

I, Matthew Conlon, RMC, Municipal Clerk of the Borough of Highlands, in the County of Monmouth, State of New Jersey, hereby certify this to be a true copy of the action of the Governing Body, at its Council Meeting, held October 16, 2019. WITNESS my hand this 17TH day of October 2019.



Matthew Conlon, RMC
Municipal Clerk
Borough of Highlands, New Jersey

Mayor: 

Clerk: 

APPENDIX J
AMENDED CENTRAL BUSINESS DISTRICT (CBD) REDEVELOPMENT PLAN

AMENDED CENTRAL BUSINESS DISTRICT REDEVELOPMENT PLAN

BOROUGH OF HIGHLANDS MONMOUTH COUNTY, NEW JERSEY

August 21, 2024



Prepared by: Phillips Preiss Grygiel Leheny Hughes LLC

Amended by: Heyer, Gruel and Associates

**Amended Central Business District Redevelopment Plan
Borough of Highlands
Monmouth County, New Jersey**

August 21, 2024

The Original Redevelopment Plan was prepared by

Paul Grygiel, AICP, PP
NJ Professional Planner License #5518

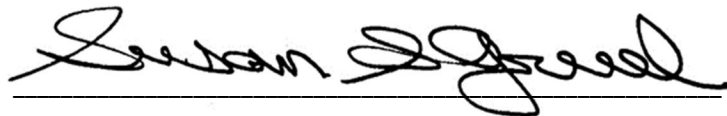
Phillips Preiss Grygiel Leheny Hughes LLC
Planning and Real Estate Consultants

33-41 Newark Street
Third Floor, Suite D
Hoboken, NJ 07030

Amendment prepared by

Heyer, Gruel & Associates
Community Planning Consultants
236 Broad Street
Red Bank, New Jersey 07701
732-741-2900

The original of this amended report was signed and
sealed in accordance with N.J.A.C. 13:41-1.3.(b).

A handwritten signature in black ink, appearing to read "Susan S. Gruel", written over a horizontal line.

Susan S. Gruel, P.P. #1955

With Assistance from Bailey Surbrook, Associate Planner

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I. INTRODUCTION

A redevelopment plan is a powerful planning document that combines the vision of a master plan with the authority of a zoning ordinance. The redevelopment plan's special legal status provides a municipality with a more effective way to control the nature and type of development in a redevelopment area than is possible through standard zoning. Benefits of utilizing redevelopment plans include the ability to create very specific redevelopment plan regulations for uses and design and providing the municipality with greater control of the redevelopment process, such as through the selection of developers.

The preparation and adoption of a redevelopment plan moves the redevelopment process from problem identification to problem solving. With the adoption of a redevelopment plan, the focus shifts from an analysis of existing conditions in a designated area to a discussion of its future use and redevelopment. Adopting a redevelopment plan sends a message to the development community about the Borough of Highlands's (the "Borough") long-term commitment to the redevelopment of an area.

Redevelopment plans may be designed to address a wide range of public purposes and land use issues. The potential scope of a redevelopment plan may include: permitted uses, bulk regulations (e.g., height, setbacks, coverage, etc.), building massing/design, streetscape/open space, sustainability measures, and parking and loading.

This Redevelopment Plan (the "Redevelopment Plan") has been prepared for an area comprised of 155 parcels on portions of 31 tax blocks known as Blocks 40.01, 41, 42, 45, 46, 47, 52, 53, 54, 58, 59, 63, 64, 69, 70, 71, 72, 73, 74, 75, 80, 81, 82, 83, 88, 89, 94, 95, 96, 96.01, and 114 (heretofore referred to as the "Redevelopment Area") in the Borough of Highlands, Monmouth County, New Jersey. This Redevelopment Plan provides an overall vision for the Redevelopment Area, as well as general recommendations and specific development regulations. It supports and enhances the Borough's ongoing efforts to improve the Bay Avenue corridor and adjoining areas and to attract additional public and private investment.

This Redevelopment Plan provides development regulations for the Bay Avenue corridor between South Street and Gravelly Point Road and certain adjoining areas, including use and bulk standards for the area, as well as site, building design and other regulations typically found in a Redevelopment Plan. But it also provides a vision, goals and general recommendations for the Redevelopment Area, all of which build upon prior efforts for the Central Business District and nearby areas.

The plan was prepared through a process that included the input from the community through meetings and a survey, as well as the input of Borough staff and officials. Notably, the Bay Avenue Redevelopment Survey obtained input from a cross-section of Highlands residents, property owners and business owners which informs the recommendations and regulations in this Redevelopment Plan. Planning and development documents reviewed in the process of preparing the plan included the Borough's Master Plan and updates, the Zoning Ordinance, the Highlands Central Business District Design Manual, and various reports on prior planning efforts for the Redevelopment Area and nearby areas. The consultants also visited the Redevelopment Area and vicinity on a number of occasions to document existing conditions. Data about demographics, housing and development

was reviewed and analyzed, and maps were created based on information obtained from the Borough and other sources.

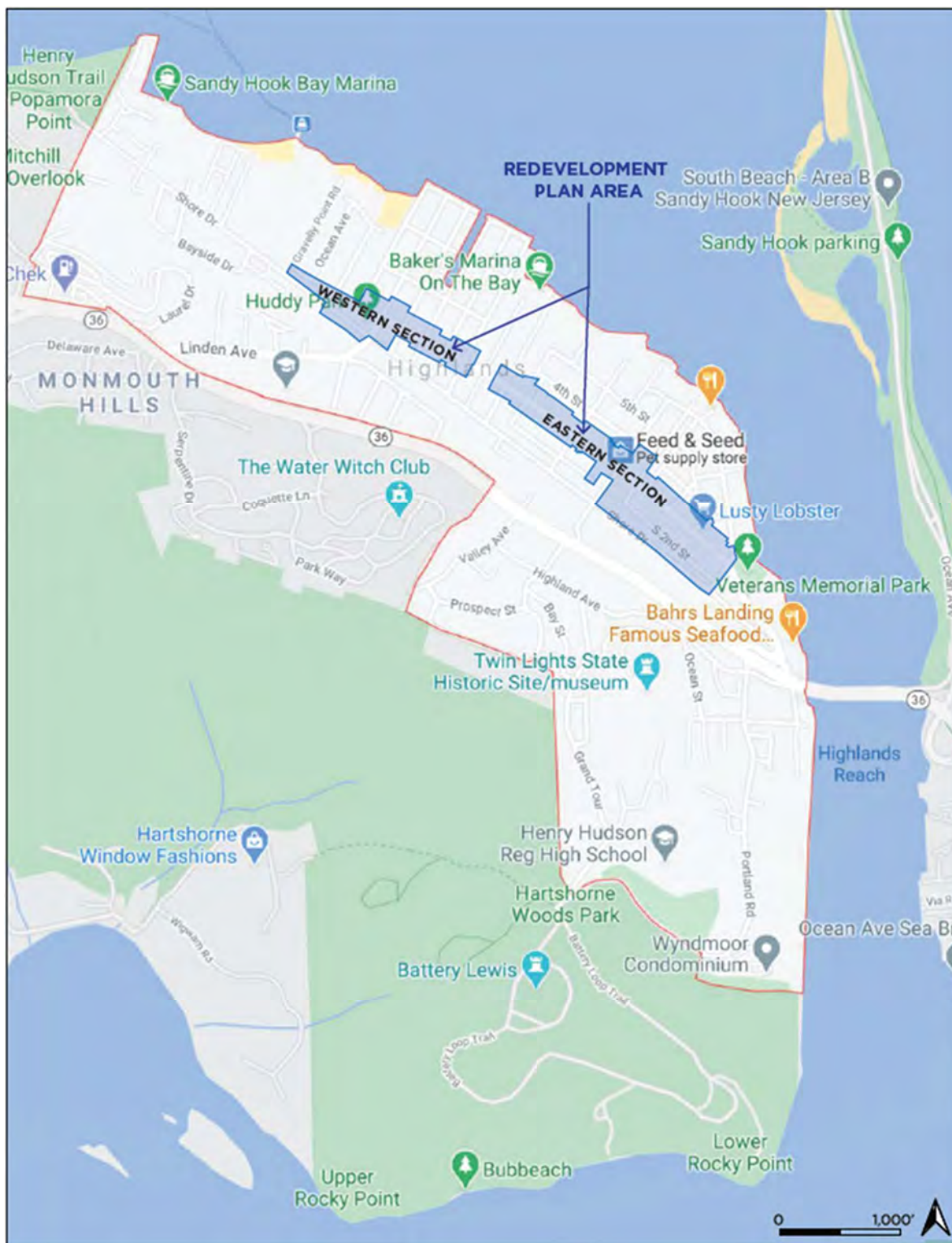


FIGURE 1: LOCATIONAL CONTEXT | BOROUGH OF HIGHLANDS, NJ
PHILLIPS PREISS GRYGIEL LEHENY HUGHES LLC 2021

II. EXISTING CONDITIONS AND CONTEXT

The Borough of Highlands is a unique municipality. Located along Sandy Hook Bay and the Shrewsbury River, its assets include a substantial waterfront, business districts, State Highway frontage, a State Historic Site, a range of residential development types, ferry service to New York City and easy access to the Atlantic Ocean, large parks and trails. **Figure 1** shows the Borough's locational context. However, Highlands faces a number of challenges, including flooding, traffic and fiscal limitations. There have been a number of plans and studies prepared in recent years for the Borough's commercial and residential districts. Actions have been taken to implement some of the recommendations of these documents, including adoption of zoning amendments in 2018. But there remain issues both specific to Highlands as well as those affecting downtowns and small business districts, even prior to the COVID-19 pandemic. This Redevelopment Plan is intended to help Highlands' Central Business District achieve its potential as both a community amenity and a destination.

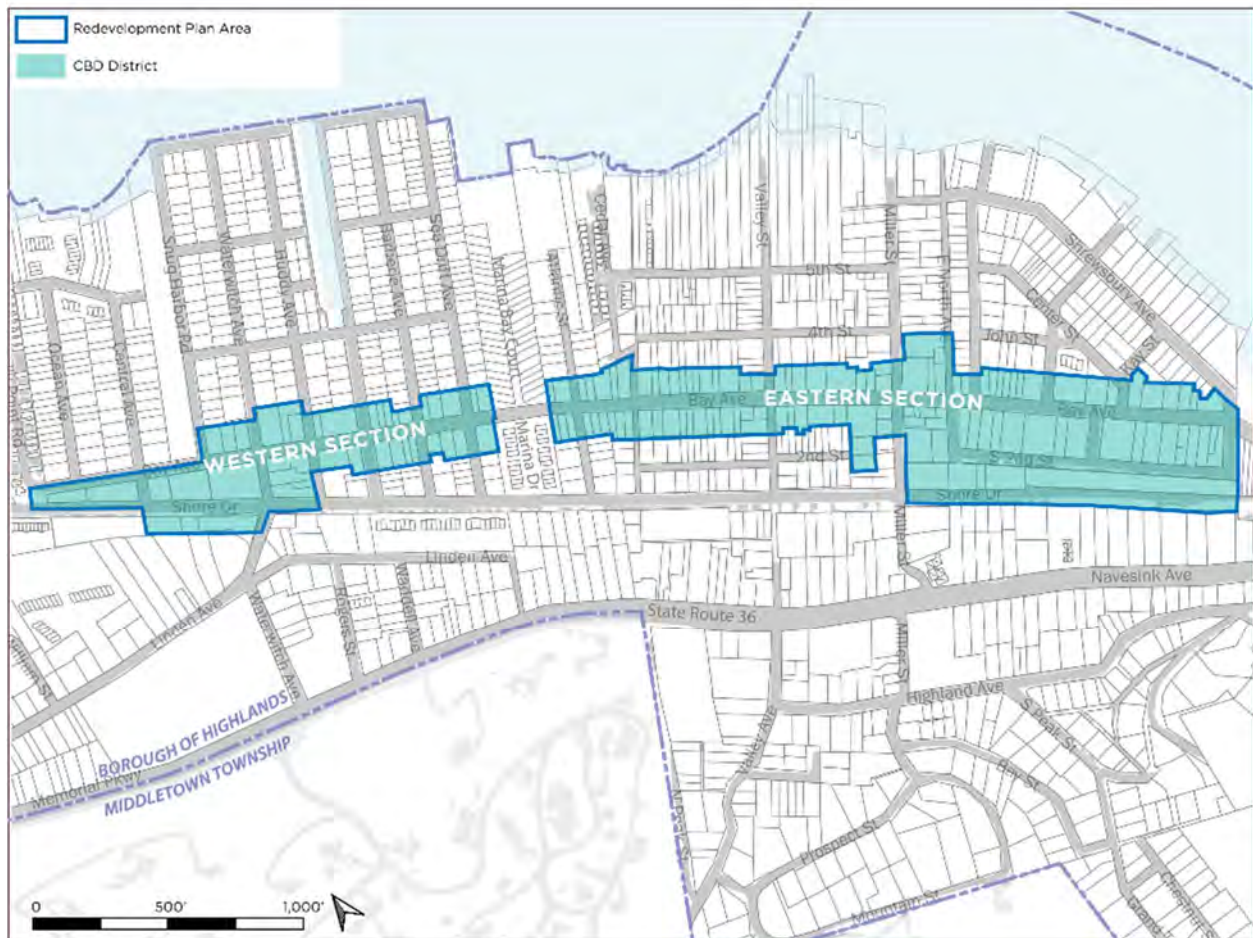


FIGURE 2: REDEVELOPMENT PLAN AREA AND CBD ZONE | BOROUGH OF HIGHLANDS, NJ
PHILLIPS PREISS GRYGIEL LEHENY HUGHES LLC 2021

The Redevelopment Area encompasses parts of 31 tax blocks located in the eastern section of the Borough of Highlands. The Redevelopment Area includes a portion of the parcels on Blocks 40.01, 41, 42, 45, 46, 47, 52, 53, 54, 58, 59, 63, 64, 69, 70, 71, 72, 73, 74, 75, 80, 81, 82, 83, 88, 89, 94, 95, 96, 96.01, and 114, as identified on the official tax maps of the Borough of Highlands. The Redevelopment Area is approximately 20.64 acres in area. It is defined by the boundaries of the CBD Zone as adopted on the Zoning Map by Ordinance 18-22 in December of 2018, which generally follows the north and south sides of Bay Avenue, and certain properties on both South Second Street and Shore Drive. **Figure 2** shows the boundaries of the Redevelopment Plan Area and the CBD zone.

Existing land uses in the Redevelopment Area include commercial, residential (one to four family), residential apartment, public property, municipal parks, a religious institution, a social institution, surface parking lots, and vacant, unimproved land. Land uses within the vicinity are varied and include a mix of residential and nonresidential uses. There are also various attractions and landmarks within the surrounding area. These include municipal and county parks, the Twin Lights State Historic Site and the Sandy Hook section of Gateway National Recreation Area.

The Redevelopment Area has been determined to be an “area in need of redevelopment” pursuant to the New Jersey Local Housing and Redevelopment Law (LRHL) at N.J.S.A. 40A:12A-1 et seq. The Mayor and Council of the Borough of Highlands adopted a resolution in February 2021 authorizing the Land Use Board to investigate all properties within the Central Business District zone to determine if they constituted an “area in need of redevelopment” pursuant to the LRHL. The Central Business District Area in Need of Redevelopment Study was prepared in July 2021. All of the properties in the redevelopment study area were designated as “an area in need of redevelopment” by resolution of the Mayor and Council on October 20, 2021, following a recommendation by the Borough of Highlands Land Use Board. The designated redevelopment area includes 155 parcels, which are listed in **Appendix A** and are shown on **Figures 3A** and **3B**.

Highlands Borough is located in a unique geographical area. The Highlands’ hills overlook the Atlantic Ocean and Shrewsbury River, home to Historic Site Twin Lights, and the highest point on the Eastern Seaboard. The Central Business District Redevelopment Area is located at the base of the bluff at Shore Drive, and is in a floodplain managed by FEMA Floodplain Management Regulations (Land Use Chapter 21). Highlands manages the Floodplain on a platform (<https://highlandsboroughnj.withforerunner.com/properties>), that provides site-specific FEMA maps, and base/design flood elevations to the public. The current Base Flood Elevation (BFE) in this zone is 11 feet, meaning that the BFE is about 5 to 7 feet above grade in most areas of the Redevelopment Area.

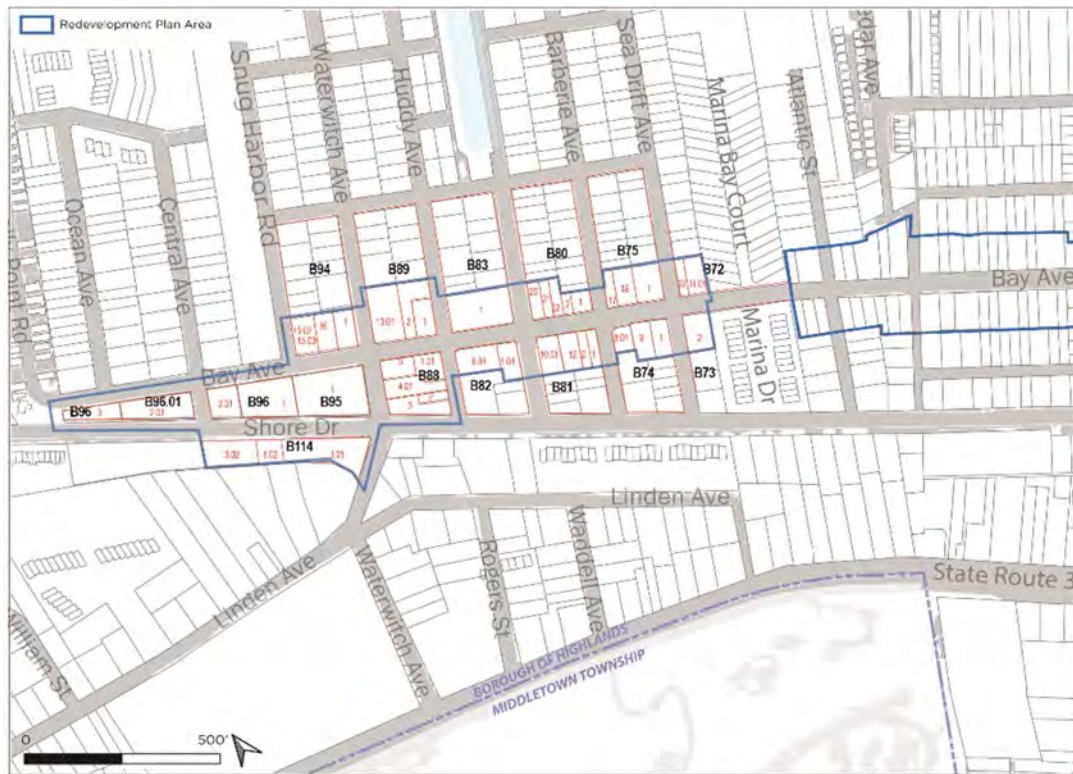


FIGURE 3A: REDEVELOPMENT AREA TAX LOTS WESTERN SECTION
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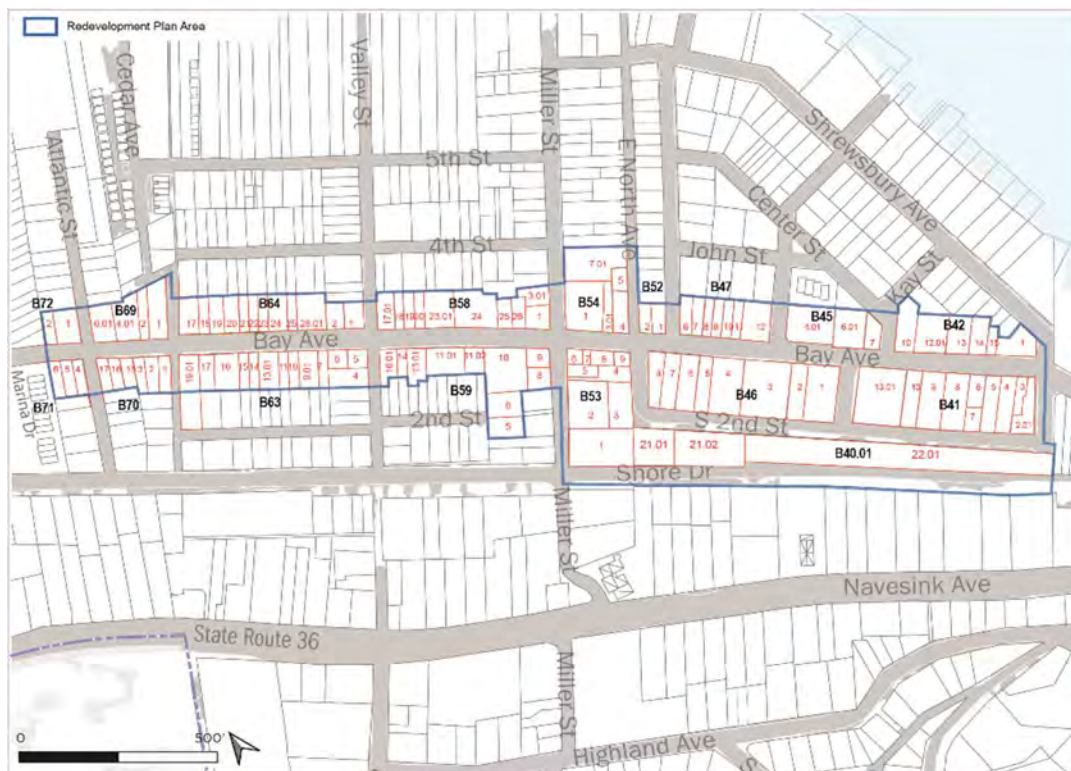
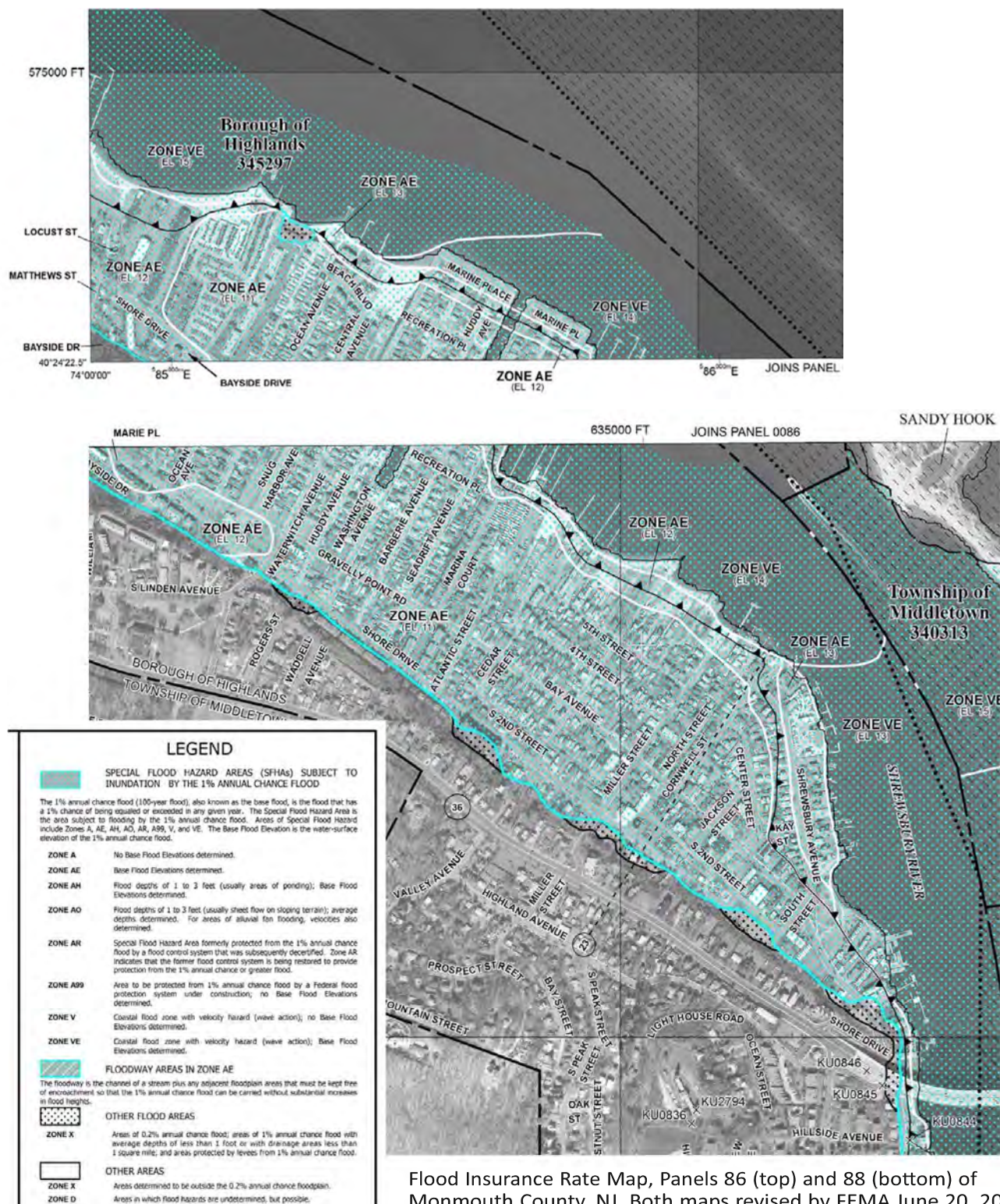


FIGURE 3B: REDEVELOPMENT AREA TAX LOTS EASTERN SECTION
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Flood Insurance Rate Map, Panels 86 (top) and 88 (bottom) of Monmouth County, NJ. Both maps revised by FEMA June 20, 2018.

FIGURE 4: FLOOD INSURANCE RATE MAP FOR HIGHLANDS

III. VISION, GOALS AND RELATIONSHIP TO LOCAL OBJECTIVES

A. Vision

This Redevelopment Plan aims for a vision of downtown Highlands that acknowledges and works with the constraints of its location within the Flood Hazard Area. The overall vision for the Redevelopment Area is a vibrant, walkable downtown along the Bay Avenue corridor and adjoining areas that includes a mix of old and new commercial and residential uses; additional apartments, stores, services, and attractions; improved parks and public facilities; and stronger connections to the broader community and the Shrewsbury River. Building and site designs will be consistent with Highlands' identity as a waterfront, historic small town, yet allow for a variety of architectural styles and building types. Retail and other active uses will be required on the ground floor, where feasible, or otherwise on a floor raised above the flood elevation. In either case, guidelines are provided to ensure that retail businesses, apartments, and other uses will have a strong connection to the sidewalk. Streets, sidewalks and public spaces will be more inviting and attractive as a result of public and private investments in the Redevelopment Area.

B. Redevelopment Plan Goals

The specific goals and objectives of the Redevelopment Plan are as follows:

- 1) Provide regulations for the reuse of buildings and the appropriate redevelopment of properties in the Redevelopment Area with a mix of residential and nonresidential land uses that support the Borough's planning and economic development objectives.
- 2) Address flooding through building and site design that elevates critical areas above flood waters and increases use of green infrastructure.
- 3) Require building and site design that is aesthetically attractive, relates to Highlands' existing character, and incorporates sustainability measures.
- 4) Provide regulations on specific building design elements such as facade transparency, location of the front door and parking access, and building massing and articulation, to ensure that buildings are best configured for a pedestrian-friendly streetscape.
- 5) Improve pedestrian safety and comfort in the Redevelopment Area through a program to increase effective sidewalk width through deeper front setbacks and landscaping.
- 6) Provide adequate vehicle and bicycle parking, loading and access for uses in the Redevelopment Area, including flexible shared-use public parking. Provide design guidelines to downplay the visibility of off-street parking.
- 7) Provide additional open space, seating, and gathering areas, and attractions within the Redevelopment Area.
- 8) Make development in the CBD more financially feasible by redefining, or in some cases removing, onerous zoning requirements such as floor area ratio, building coverage and height, and parking ratios, and by providing more flexible standards.
- 9) Emphasize major Gateways into downtown Highlands.

C. Relationship to Master Plan

This Redevelopment Plan is consistent with the goals and objectives of the master planning efforts of the Borough of Highlands, as described further below, as it implements various recommendations of the 2004 Master Plan and updates as well other planning studies seeking to strengthen the vitality of the Borough's downtown and other business districts.

The Borough of Highlands has completed several plans and studies which attempt to address an ongoing lack of investment and business activity in the Borough, particularly on the Bay Avenue commercial corridor. These problems were noted prior to the destruction brought about by Superstorm Sandy but were exacerbated after the storm. The Borough has recommended a series of strategies to revitalize the Bay Area commercial corridor in recent years, several of which have been implemented. A previously untapped recommendation is to investigate the designation of eligible properties as areas in need of redevelopment to encourage a rebirth of the commercial corridor.

The Borough of Highlands' most recent comprehensive Master Plan was adopted in 2004 (the **"2004 Master Plan"**). To promote economic development in the downtown, the 2004 Master Plan recommended "investigating the potential for redevelopment within the downtown to address problems, identify opportunities and provide a guide for future reinvestment," and "[a]ssembling sites that can be offered for new business development," among other strategies. At the time of writing the 2004 Master Plan, the Redevelopment Area roughly corresponded to the boundaries of the B-2 Central Business District, which was intended to "accommodate a higher density concentration of retail, service, office and entertainment uses than other commercial districts in the Borough."

A reexamination of the 2004 plan, along with a land use plan element, was adopted in 2009 (the **"2009 Master Plan Reexamination"**). The 2009 Master Plan Reexamination recommended several changes to the Borough's Development Regulations for the B-1 Neighborhood Business District and the B-2 Central Business District, which generally comprised the east and west ends of Bay Avenue and Shore Drive. The recommended changes related to flooding, parking, permitted uses, bulk requirements, and design to advance the Borough's goal to "[s]trengthen commercial districts, especially the Bay Avenue Central Business District."

The current Master Plan document consists of a reexamination report and amendments, which were adopted by the Borough's Land Use Board on December 27, 2016 (the **"2016 Master Plan Update"**). The 2016 Master Plan Update "places special emphasis on facilitating recovery from Superstorm Sandy's impacts, as well as promoting resiliency to future storm impacts and other potential natural hazards." The plan describes the impact of Superstorm Sandy on the Borough:

Superstorm Sandy struck the coast of New Jersey on October 29, 2012, and caused extensive damage to the Borough of Highlands from both storm surge and wind damage. Approximately 1,250 homes within the Borough were damaged or destroyed as well as over 60% of all Borough businesses. All of the Borough's sewage pump stations went offline due to floodwater inundation and/or power system failure. Trees and power lines throughout the Borough fell, in many cases damaging buildings and homes. (pp. 23)

A **2014 Strategic Recovery Planning Report** further noted that “14 downtown restaurants were destroyed, of these, six remain closed.” The 2016 Master Plan Update addressed the lack of business investment and activity in the downtown, stating that this “ongoing concern... was only exacerbated by the impacts of Superstorm Sandy.”

The **2016 Master Plan Update** contains significant discussion about the Redevelopment Area. In particular, it recommended elimination of the B-1 and B-2 districts and overlay zones, and establishment of a unified Central Business District (CBD) zone “to better accommodate the desired uses for the downtown area [and to] minimize nonconformities and reduce the number of variances that may be required to encourage redevelopment in underutilized lots and areas damaged by Superstorm Sandy or that may be damaged in future storm events.” The 2016 Master Plan Update recommended that the new CBD Zone be governed by a form-based code to “ensure all redevelopment occurs in a manner that is consistent with the image and character of the Borough.” The 2016 Master Plan Update assured consistency with past plans, noting that “many of the recommendations from the 2009 Report will be integrated into the new zone district.” It recommended that the Borough should encourage downtown building design and streetscape features “that promotes and emphasizes the nautical, seaside, small town nature of Highlands.” In addition to the creation of a new CBD Zone, the 2016 Master Plan Update recommended allowing parking as a conditional use in business districts outside of the waterfront to encourage “more opportunities for innovative parking arrangements.” The plan also recommended that residential uses be permitted on all floors above the ground level in mixed-use buildings. In terms of redevelopment, the 2016 Master Plan Update recommended that “[r]edevlopment studies should include the waterfront, downtown neighborhoods, and the Miller Street corridor.”

The Borough amended its Development Regulations to remove reference to the B-1 and B-2 districts and overlays, create reference to the CBD Zone, and update permitted uses in the zone, including allowing parking as a permitted conditional use in the CBD Zone (see **Ordinance 18-01**, adopted in February of 2018, and Ordinance 18-06, adopted in May of 2018). No new regulations were adopted related to permitting residential uses on the upper floors of mixed-use buildings.

The most recent **Zoning Map** was adopted by Ordinance 18-22 in December of 2018, which established the Central Business District (CBD) zone and demarcated it “along Bay Avenue from South Street to the VFW and along Miller Street from Bay Avenue to the Waterfront to replace current existing zoning and overlay districts; with the exception of the existing Multi-Family Zone District located along Marina Bay Court.” The Redevelopment Area is entirely within the CBD Zone.

Since the 2016 Master Plan Update, area in need of redevelopment investigations and plans were adopted for the Captain’s Cove Marina and the Shadow Lawn Mobile Home Park, in 2018. No area in need of redevelopment investigations have been conducted for areas within the CBD Zone until the investigation of the Redevelopment Area described herein.

A full list of the 2016 Master Plan Update Goals & Objectives related to commercial land uses and economic development/redevelopment can be found in the publicly-available 2016 Master Plan Update.

D. Relationship to Local Objectives

This Redevelopment Plan sets forth definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements. In particular, the Redevelopment Plan provides development regulations that regulate development intensity and residential density, allowing for a range of land uses. The Redevelopment Plan encourages reuse of buildings and new construction, in tandem with upgrading of existing infrastructure and community facilities.

Beyond the Master Plan-related studies mentioned earlier, a number of other plans and studies have been prepared for the Redevelopment Area, including:

CENTRAL BUSINESS DISTRICT DESIGN MANUAL, 1995

- The Borough's Highlands CBD Design Manual, Neighborhood Preservation Program (the "Design Manual") was approved in 1995. It is primarily focused on design changes and improvements to historic buildings and retail storefronts & signage. The Design Manual is very detailed in terms of specific building components such as doors, windows, cladding, and cornices, and leans towards traditional materials and architectural styles. However, because it was written before Superstorm Sandy and before flood control regulations became more onerous, it is not well suited to alone guide anticipated new development in the CBD. For new construction and renovations to existing buildings, this Redevelopment Plan supersedes the older Design Manual. Applicants may choose to seek guidance from the Design Manual as well, but where a conflict occurs, this Redevelopment Plan shall govern.

INTRABOROUGH BICYCLE PLAN, JUNE 2011

HIGHLANDS RECOVERY PLAN, 2013

RUTGERS BLOUSTEIN SCHOOL STUDIO REPORT, SPRING 2014

GETTING TO RESILIENCE" RECOMMENDATIONS REPORT, JUNE 2014

STRATEGIC RECOVERY PLANNING REPORT, SEPTEMBER 2014

- This report identified 13 priority actions that are "most urgently needed to improve public safety, increase resistance to damage from future storms, and stimulate economic recovery' (NJ DCA)." Of relevance to redevelopment of the Redevelopment Area, priority action #9 was to, "[u]ndertake redevelopment study(ies) and prepare plan(s) for areas determined to be in need of redevelopment. Previous plans have recommended redevelopment efforts in several areas of the borough, including the waterfront and downtown neighborhoods. Moreover, there have also been recommendations to... elevat[e] buildings in the downtown area. All of these recommendations could be reviewed and, if feasible and acceptable, accomplished through the redevelopment planning process."
- In addition, priority area #11 stated, "The [Getting to Resilience (GTR)] Report... recommends that the Borough's plans (including the Master Plan and any redevelopment plan) include explicit references and recommendations related to resiliency."

COASTAL STORM RISK MANAGEMENT PRESENTATION/BRIEFING, MARCH 2017

CAPITAL IMPROVEMENT PROGRAM FOR 2017

STORMWATER POLLUTION PREVENTION PLAN, APRIL 2018

FINAL INTEGRATED FEASIBILITY REPORT AND ENVIRONMENTAL ASSESSMENT, RARITAN BAY AND SANDY HOOK BAY, HIGHLANDS, NEW JERSEY, COASTAL STORM RISK MANAGEMENT, MAY 2020

- This document by the U.S. Army Corps of Engineers assesses the feasibility and environmental impact of a series of intervention options to reduce flood risk between the study period of 2026 to 2076.

E. Relationship to Highlands Zoning Ordinance

The Redevelopment Area is located within, and is defined by the boundaries of, the Central Business District (CBD) Zone. The boundaries of the CBD Zone and adjacent zoning districts in the Borough are shown on the Zoning Map adopted in December of 2018.

This Redevelopment Plan supersedes the Zoning and Land Use Regulations of the Borough of Highlands in Chapter 21 of the Borough's Revised General Ordinances (the "Zoning Ordinance"). Final adoption of this Redevelopment Plan by the Mayor and Council shall be considered an amendment of the Borough of Highlands Zoning Map.

F. Relationship to the Uniform Construction Code

Notwithstanding allowances provided for in the Central Business District Redevelopment Area, all construction shall comply with the Uniform Construction Code (UCC) (N.J.A.C. 5:23). Construction not requiring a construction permit or inspections, work performed pursuant to N.J.A.C. 5:23-2.7 (Ordinary Maintenance), or other construction not under the jurisdiction of the UCC, such as manufacturing, production, and process equipment, as defined in N.J.A.C. 5:23-1.4, shall comply with Section V – Floodplain Requirements, of the Central Business District Redevelopment Plan.

G. Definitions and Terminology

The definitions set forth in the Zoning Ordinance shall apply to this Redevelopment Plan.

As used in this Redevelopment Plan, the following terms shall have the meanings indicated:

- **"BFE+1"** shall mean Base Flood Elevation plus one foot. "Base Flood Elevation" is defined in the Highlands Zoning and Land Use Regulations.
- **"Body piercing, tattoo and skin art studio"** shall mean any establishment where a body piercing and/or tattoo artist conducts the business of piercing the skin or other parts of the body.
- **"Cottage Food Preparation Services and Sales"** shall mean the preparation and sale of home-made non-Time/Temperature Control for Safety (non-TCS) food products. All cottage food operators shall be required to obtain a cottage food operator (home baker) permit from the State of New Jersey prior to the sale of any food products and shall comply with all operating standards required by the New Jersey Department of Health.

- **“Food Manufacturing”** shall mean the process of converting raw agricultural materials into consumable food products, including the cleaning, processing, packaging, distribution, and sale of food items.
- **“Land Use Board”** shall mean the Borough of Highlands Land Use Board.
- **“Mayor and Council”** shall mean the governing body of the Borough of Highlands.
- **“Special Flood Hazard Area”** shall mean the areas of special flood hazard for the Borough of Highlands, Community No. 345297, which pursuant to Chapter 21 Zoning & Land Use Regulations Section 21-109 through 21-127 Floodplain Management Regulations of the Zoning Ordinance are identified and defined on the following documents prepared by the Federal Emergency Management Agency:
 - A scientific and engineering report “Flood Insurance Study, Monmouth County, New Jersey (All Jurisdictions)” dated June 15, 2022.
- **“Substantial Improvement”** shall mean any improvement where the costs of repairs or renovations is equal to fifty (50%) percent or more of the market value of the structure as determined by the Flood Plain Administrator.
- **“Townhouse”** shall mean a “One-family Attached Dwelling” as defined in the Zoning Ordinance (i.e. a one-family dwelling attached to two (2) or more one-family dwellings by common vertical walls),
- **“Two-family dwelling”** shall mean “a building designed or used exclusively for occupancy by two (2) families,” as defined in the Zoning Ordinance.
- **“Multi-family dwelling”** shall mean any building or part thereof containing three or more dwelling units, as defined in the Zoning Ordinance.
- **“Zoning Map”** shall mean a document entitled “Zoning Map, Highlands Borough, New Jersey” dated 2018, as may be periodically amended.
- Except as otherwise provided herein, words not defined above or in this document that appear in this Redevelopment Plan shall be interpreted in accordance with the definitions in the Zoning Ordinance as set forth in Section 21-8: “Definitions.” If a term used in this Redevelopment Plan is not defined in the Zoning Ordinance, the definition in the Municipal Land Use Law (the “MLUL”), N.J.S.A. 40:55D-1 et seq., or the LRHL shall apply.

Throughout this Redevelopment Plan, a conscious distinction is made in the regulations between “shall” and “should.” “Shall” or “must” means that a developer is required to comply with the specific regulation, without any deviations. “Should” means that a developer is encouraged to comply but is not required to do so.

IV. GENERAL RECOMMENDATIONS

Chapters V through IX of this Redevelopment Plan provide specific regulations for land uses and other development regulations as are typically included in a redevelopment plan. This chapter provides additional recommendations for the Redevelopment Area based on input from survey respondents, developers, the Borough, and others.

A. Design

- **Implement building and site design to mitigate flooding impacts and improve stormwater management.** Given the Redevelopment Area's location and history, ensuring that new development and renovations can withstand flood events will help attract investment and types of uses desired by the community.
- **Incorporate sustainability measures.** Green design provides benefits to business and property owners, as well as to the environment.
- **Make downtown more physically attractive and welcoming.** Survey respondents and community meeting attendees cited physical improvements as an important part of this Redevelopment Plan. Improvements to the streetscape and lighting, additional trees and other plantings, murals and burying utility wires were among the suggestions for upgrading the appearance of the Central Business District.
- **Preserve historic character and identity.** At the same time, as changes are made to the area there is still a strong desire to maintain and enhance Highlands' identity as a waterfront, historic small town.
- **Provide Gateway treatments at important intersections.** Providing streetscape features such as paver crosswalks, signage, public art, and buildings with prominent design elements would reinforce the Central Business District's identity as a distinct place.
- **Focus on key sites with the potential to spur additional redevelopment.** There are a number of properties within the Redevelopment Area that are adequate in size or possess other factors that make them appropriate for larger-scale development and have the ability to positively influence nearby areas.

B. Coordination

- **Improve connections to the Shrewsbury River, Sandy Hook Bay, the Twin Lights and other nearby attractions.** While the waterfront is located outside the Redevelopment Area, Highlands' setting on the Shrewsbury River and Sandy Hook Bay at the northern tip of the Jersey Shore is essential to its character. Nearby beaches and the Twin Lights also bring large numbers of visitors to the area who represent a significant potential market for shops, services and eateries in the Central Business District.
- **Align redevelopment efforts in the Central Business District with other redevelopment and planning initiatives.** There are opportunities for synergy between projects in Highlands such as the Captain's Cove and Shadow Lawn redevelopments, improved waterfront access, upgrades to utility infrastructure and potential "Transit Village" designation.

C. Uses

- **Continue to permit and support a range of commercial uses and attractions.** Highlands has a variety of existing businesses, but would benefit from additional complementary uses, including businesses not currently located in the Redevelopment Area, attractions, arts, culture and entertainment.
- **Provide housing for a diverse population.** New and renovated residential units should include a range of sizes, types and prices.

D. Circulation

- **Incorporate “Complete Streets” principles in street and site design.** Private and governmental actions implementing this Redevelopment Plan should consider the needs of pedestrians, bicyclists, public transit users, and motorists during design and throughout all stages of any new roadway or streetscape project, in order to make streets safer for all users.
- **Promote pedestrian activity and bicycle usage.** Taking the above recommendation one step further, building and site design should consider the existing prevalence of non-motorized transportation in the Redevelopment Area and environs and support walking and bicycling.
- **Utilize creative design techniques to provide adequate parking.** While parking is necessary to support most uses, addressing parking requirements onsite is not feasible or necessary for all uses. Allowing shared parking among uses, providing additional publicly available parking, and allowing payment in lieu of providing parking are some of the measures that should be considered.

V. FLOOD REQUIREMENTS

All flood requirements for the Central Business District Redevelopment Area shall adhere to the standards, definitions, and regulations set forth in Part VII (Flood Damage Prevention) Article XXIV (Floodplain Management Regulations) of Chapter 21 (Zoning and Land Use Regulations) of the Borough of Highland’s Code, as may be amended.

VI. LAND USE REGULATIONS

A. Introduction

This section provides regulations for future land uses within the Redevelopment Area. The designations are based on analysis of existing land uses, suitability for new uses and the availability of redevelopable land. The proposed land uses recognize existing conditions within the Redevelopment Area, while in some instances proposing changes in use to further the goals and objectives of this Redevelopment Plan.

It should be noted that uses on properties for which the zoning designation is changed may continue as legal non-conforming uses as a matter of law, regardless of any change in the zoning designation. It is only when the property owner seeks to expand the existing use or change the existing use to another use that the new zoning standards will apply.

B. Gateway Parcels

Special Gateway treatments are encouraged at certain intersections to reinforce the Central Business District’s identity as a distinct place and create a sense of entry to the Borough. The three “Gateways” include:

- Waterwitch Avenue at Huddy Park, between Bay Avenue and Shore Drive;
- Miller Street between Shore and Bay; and

- The eastern end of Bay Avenue near the Veteran's Memorial Park.

These Gateway locations correspond to the intersections identified for special treatment in the 1995 Highlands CBD Design Manual. **Table 1** shows the designated Gateway parcels.

In order to create a sense of arrival at these locations, this Redevelopment Plan encourages architectural massing to create a focal point for new construction in the Gateway parcels. Such focal point elements should be located along Bay Avenue; or at the corner of Bay and Waterwitch Avenue or Bay and Miller Street; where a parcel does not adjoin Bay Avenue, the focal element should be along Waterwitch Avenue or Miller Street.

The eastern end of Bay Avenue near Veteran's Memorial Park		
BLOCK	LOT	ADDRESS
41	2.01	57 BAY AVENUE
42	1	60 BAY AVENUE
Miller Street between Shore and Bay		
BLOCK	LOT	ADDRESS
53	1	MILLER ST
53	2	65 MILLER STREET
53	5	63 MILLER STREET
53	6	BAY AVE & MILLER ST
58	1	154 BAY AVENUE
58	3.01	50 MILLER STREET
59	8	66 MILLER STREET
59	9	165 BAY AVENUE
Waterwitch Avenue at Huddy Park, between Bay Avenue and Shore Drive		
BLOCK	LOT	ADDRESS
88	3	71 WATERWITCH AVENUE
88	4.01	67-69 WATERWITCH AVENUE
88	5	321 BAY AVENUE
89	13.01	65 WATERWITCH AVENUE
94	1	BAY & WATERWITCH AVE

TABLE 1: GATEWAY PARCELS

Massing Elements

Specifically, Gateway parcel buildings are encouraged to include massing elements that emphasize the Gateway at a corner or along a street corridor, for example: towers, cupolas, bay windows, corner entries, contrasting window or glazing patterns, and/or varied roof heights and shapes.

Active Uses and Deeper Front Setbacks Encouraged

In addition, retail or other non-residential uses are required at the ground level or on an elevated Lowest Floor of buildings in Gateway parcels, and buildings are encouraged to provide deeper front setbacks that are landscaped as plazas.

C. Permitted Principal Uses

- Retail sales and services
- Offices
- Banks and financial institutions
- Eating and drinking establishments
- Bakeries
- Food preparation services
- Food manufacturing given that a portion of the space is dedicated to the sale of the food products that are manufactured on-site.
- Cottage food preparation services and sales
- Microbreweries and distilleries
- Pool halls
- Houses of worship
- Theaters
- Childcare Centers
- Educational uses
- Art, artisan, woodworking, and jewelry making handicraft studios, workshops and galleries
- Health, fitness, dance, music, and martial arts studios
- Municipal uses
- Open space
- Mixed-use developments
- Existing single-family and two-family homes
- Existing multi-family residential
- Multi-family residential located in a mixed-use building where the first floor serves as a non-residential use.
- Wholesale sales and services
- Hotels
- Bed & Breakfasts
- Body Piercing, tattoo, and skin art studios
- Surface parking lots

Permitted Accessory Uses

- Parking in rear, side, and front yard or under building
- Signage
- Any other uses and structures customarily subordinate and incidental to permitted principal uses.

D. Supplemental Use Standards

- Permitted uses below the BFE:
 - Commercial or mixed-used buildings, and non-residential uses, such as office or retail.

- All newly constructed commercial or mixed-use buildings and non-residential uses having a lower level below the Design Flood Elevation must be designed to have those areas dry flood proofed in accordance with FEMA standards, Highlands Borough Floodplain Management Regulations (Land Use Chapter 21), and the Uniform Construction Code. Areas used as storage, access, or as parking are permitted to be wet floodproofed.
 - All existing commercial or mixed-use buildings and non-residential uses undergoing improvements that result in the property being designated as undergoing a Substantial Improvement, must be designed to have those areas dry flood proofed in accordance with FEMA standards, Highlands Borough Floodplain Management Regulations (Land Use Chapter 21), and the Uniform Construction Code. Areas used as storage, access, or as parking are permitted to be wet floodproofed.
- Ground level areas below the structure are permitted to be used for outdoor seating, parks, and dining areas, provided the area has permeable surface composed of materials including but not limited to flood mitigating permeable pavers, sand, rain gardens. These areas can be used to create a placemaking promenade as part of the streetscape.
- Existing residential buildings may remain in place. However, existing residential buildings undergoing improvements that result in the property being designated as undergoing a Substantial Improvement, must comply with FEMA standards, Highlands Borough Floodplain Management Regulations (Land Use Chapter 21), and the Uniform Construction Code.
- Hotels
 - The minimum floor area per unit shall be two hundred fifty (250 square feet).
 - The parking shall adhere to the standards and requirements of **Chapter VIII, Parking and Circulation.**
 - All solid waste containers for storage and pickup shall be centrally located and easily accessible and within a screened enclosure on the street level.
 - All hotel uses shall be provided with adequate fire safety and evacuation provisions and sprinkler systems. Regardless of the number of rooms, such facilities shall be approved by the Municipal Fire Subcode Official and shall incorporate all applicable requirements of the National Fire Protection Association Code and the NJ Uniform Construction Code.
 - Each unit of accommodation shall contain a minimum of a bedroom, and a separate bathroom which affords privacy to a person within the room and is equipped with a toilet, a wash basin and bathtub/shower. Kitchen facilities are prohibited.
 - The first floor area of a hotel, or the first level over on-site parking, may be used for offices, permitted nonresidential uses, coffee shop or restaurant. The first floor area of the hotel structure does not have to be associated or related to the hotel use.
 - The buffer zone between the rear setback of a hotel and adjacent residential uses or districts shall comply with the requirements of the Zoning and Land Use Regulations of the Highlands Ordinance but shall not be less than (10) feet in width.

- The structure shall not be a “rooming house” or “boarding house” as defined by current New Jersey statute.
- Once established, a hotel use shall not be converted to a multifamily residential use such as apartments, townhouses, or condominium living arrangements.
- Bed & Breakfasts
 - The parking shall adhere to the standards and requirements of **Chapter VIII, Parking and Circulation.**
 - Landscaped screening or fencing shall be required for any outside areas for guest use in the side or rear yard to provide a buffer to adjacent residential uses.
 - Signage shall be limited to one (1) freestanding sign not to exceed four (4) square feet and one (1) house mounted name sign not to exceed one and one-half (1 ½) square feet.
- Body piercing, tattoo, and skin art studios
 - Tattoo samples shall not be displayed in such a manner as to be visible to the general public outside of the studio.
 - Window displays shall not contain sample artwork or posters that have not been professionally mounted or framed.
 - All establishments must comply with all health requirements of the Borough of Highlands and the Health Department of the State of New Jersey.

VII. BULK REGULATIONS

A. Lot Size

Min. Lot Area: 2,500 Square Feet

Min. Lot Width: 25 Feet

B. Setbacks

Front Setback

For all properties in the CBD zone, a minimum two (2) foot front setback is required. This will help to increase the effective sidewalk width. The required two-foot setback area must be paved with concrete in a similar pattern and material as the public sidewalk.

Where a property is a through lot that adjoins Bay Avenue on one side and another public street on the opposite frontage, Bay Avenue shall be defined as the front street.

Rear Setback

The minimum rear setback is five (5) feet.

Side Setback

No side yard setback is required where a property borders another property that is also located in the CBD Zone, however, if any side yard is to be provided, it shall be at least five (5) feet wide.

Where the side lot line of a property in the CBD Zone directly adjoins a property in a residence zone (that is, not where an intervening public street creates a separation), a minimum side yard of five (5) feet is required, and shall include a buffer as described in existing zoning, Section 21-65.3 Buffers.

C. Coverage

Lot Coverage

Maximum lot coverage is 90 percent.

Building Coverage

Maximum building coverage is 90 percent.

D. Floor Area Ratio

Floor area ratio (FAR): No minimum or maximum FAR is required.

E. Building Height

Definitions

Building height and the related concept of grade plane are defined as follows:

Building Height: The vertical distance as measured from the grade plane to the average height of the highest roof surface. In the case of sloped roofs, the average height is the mid-point between the lowest roof eave of the top floor and the roof ridge. In the case of a building that has multiple roof levels, the highest roof levels must be used to determine the building height. Chimney, elevator equipment and mechanical utility equipment and any associated screening or enclosures may exceed the permitted “building height” by up to ten (10) feet, or up to ten (10%) percent above the permitted building height, whichever is less.

Grade Plane: All properties in the Central Business District Redevelopment Area are in the Special Flood Hazard Area. The reference plane shall be the more restrictive of the base flood elevation or advisory base flood elevation, which is known as the Design Flood Elevation, of the flood hazard area plus one (1) foot.

Note that the existing building height definition provides an incentive for pitched roofs because it measures height to the midpoint of a sloping roof, but to the deck level of a flat roof.

In addition to the zoning definition above, this Redevelopment Plan adds a clarification for the CBD: rooftop parapets are permitted to exceed maximum building height by up to four (4) feet.

Height Variations based on Site Grade

The zoning requires that height for all parcels within the Flood Hazard Area – which includes nearly the entire CBD – be measured with respect to the Base Flood Elevation plus one foot (“BFE+1”), which is 12 feet for this area. Because the finished grade of most parcels within the CBD is between 4 and 9 feet elevation, all such parcels will have some “free” building height below the BFE+1 of 12 feet. But the parcels on the lowest-elevation ground will have the most effective available buildable height because there is more height available below the 12-foot BFE that can be used for parking.

HEIGHT EXAMPLES

152 BAY AVENUE, HIGHLANDS

2 stories, retail and apartments.

ESTIMATED TOTAL HEIGHT:

±28' to 32' high from grade to
ridgeline / peak of roof.

ESTIMATED ZONING HEIGHT:

±17' to 21' from BFE+1 (based on an
illustrative grade of 5 feet elevation,
meaning BFE+1 is 7 feet above grade)
to the midpoint of the gabled roof.



170 BAY AVENUE, HIGHLANDS

2.5 story single-family over storage
level.

ESTIMATED TOTAL HEIGHT:

±32' to 36' high from grade to
ridgeline / peak of roof.

ESTIMATED ZONING HEIGHT:

±21' to 24.5' from BFE+1 (based on
illustrative grade of 5 feet elevation,
meaning BFE+1 is 7 feet above grade)
to the midpoint of the gabled roof.



7 HALFMOON COURT, HIGHLANDS (outside CBD)

2-story townhouses over parking level.

ESTIMATED TOTAL HEIGHT:

±32' to 35' from grade to ridgeline /
peak of roof.

ESTIMATED ZONING HEIGHT:

±22.5' to 25.5' from BFE+1 (based on
an illustrative grade of 5 feet
elevation, meaning BFE+1 is 7 feet
above grade) to the midpoint of the
gabled roof.



Maximum Height Allowance

A building height of 4 stories / 45 feet is permitted, conditioned upon the 4th floor having a step-back of a minimum of 8 feet and/or where parking is located on the ground floor.

The step-backs are measured relative to the primary facade plane of the floor below, and shall be designed as balconies, porches, or terraces for adjoining living spaces. A roof is permitted over step-back areas, but any such roof shall be designed and massed as secondary to the main roof mass of the building.

Active Uses

Active uses at the ground floor, and to a lesser degree, on an elevated floor, create more pedestrian foot traffic, vibrancy, and visual interest at the sidewalk. Active uses that are permitted include, but are not limited to:

- Restaurants, cafes, retail shops, boutiques, and kiosks, grocery stores, banks, certain types of walk-in service retail, such as hair salons and realtors, and art-related uses such as galleries, studios, and workspaces.
- Shared support spaces for upper floor residential units, such as lobbies and amenity areas such as resident lounges, mail rooms, game rooms, and work-out rooms.

F. Ground Floor Height

- Nonresidential uses: The minimum floor to ceiling (clearance) height for nonresidential uses located on the ground floor shall be 13-feet.

G. Required Open Spaces

Private Open Space

For any building containing residential uses, outdoor living space is required at the rate of fifty (50) square feet per unit; however, no additional open space is required based on the number of bedrooms. Each unit's minimum 50 square feet of outdoor space shall be private to and connected directly to the unit, either adjoining a floor of the unit or connected by a private staircase to the roof or the ground.

This private open space may be provided through any combination of outdoor, open-air spaces at ground level, directly adjacent to the unit and elevated in the form of balconies, decks, porches, and/or in the form of roof top terraces.

The areas provided shall be for the exclusive use of the adjoining residential unit and shall be sufficiently screened or otherwise designed to insure such privacy and exclusive use.



A modern style of covered porch

Front setback open spaces may not be counted as Private Open Spaces, as such spaces are intended to be public or shared communal spaces.

Open spaces must be exterior, out of doors, and open air. Indoor spaces such as resident lounges and gyms do not count as private open space.

Publicly Accessible Open Space

Buildings with retail or commercial space are encouraged to provide a plaza or pocket park with room for outdoor dining, café seating, merchandise sales, and/or informal public seating within front setbacks or any street-facing setbacks. Benches, landscape planters, and small ornamental trees and bushes are encouraged in these front areas as well.



Private open space on a roof deck

VIII. PARKING AND CIRCULATION

A. Vehicular Parking

Maximum Parking Ratios for Residential

- Single-family detached, two-family duplex, and townhouses: follow NJ Residential Site Improvement Standards (RSIS) for single-family, namely 1.5 spaces for a two-bedroom, 2.0 spaces for three-bedroom, and 2.5 spaces for four-bedroom, and 3.0 spaces for five or more bedrooms.
- Multi-family buildings with three (3) or more units: follow RSIS for Midrise Apartments, namely 1.8 spaces for one-bedroom units, 2.0 for two-bedroom units, and 2.1 for three-bedroom units.
- Residential uses are permitted to count first any available on-street parking spaces before determining the number of parking spaces that must be provided off-street.
- If the parking standards within this section differ from the most current NJ Residential Site Improvement Standards (RSIS), the RSIS standards shall prevail.

Minimum Parking Ratios for Non-Residential

- Each hotel shall provide parking at a ratio of one (1) space per unit of accommodation. The parking may be provided on site or within one thousand (1,000 feet) of the hotel property.
 - The hotel use may provide some of the required parking on another parcel, which may or may not be contiguous to the hotel parcel. In addition, the applicant shall provide written assurances acceptable to the appropriate Board that the parking will remain available in the future. Such assurance shall be in the form of lease agreements or deed restrictions which will be reviewed by the attorney of the board of jurisdiction. The parking assurances may be linked to a municipal mercantile license.
- For Bed and Breakfasts, parking shall be provided at a rate of one (1) space for each guest room and two (2) spaces for the owner/operator. If parking is provided off site, the construction of the Bed & Breakfast will be based on the continued availability of that parking. Should the required number of off-site parking spaces be reduced or eliminated, the number

of guest rooms shall be reduced or the bed and breakfast discontinued in accordance with the available parking.

- The required parking shall be off-street and may be provided either on-site or at a designated off-site location solely for this use.
- Bars and restaurants shall provide 1 space per 4 seats or stools.
- For other non-residential uses: The first 1,000 square feet of non-residential space shall be exempted from parking requirements. After that, parking ratios shall be 1 space per 600 square feet of non-residential space. Where a building contains more than one non-residential space or storefront, the areas of each space shall be combined before deducting the 1,000 SF exemption, and the remaining space shall be used to determine required parking for all the non-residential areas as a whole. In other words, the 1,000 SF exemption may only be used once per building.
- Non-residential uses are now also permitted to first count any available and adjacent on-street parking spaces before determining the number of off-street parking spaces to be provided.
- If the required non-residential parking supply cannot be provided onsite, the developer is required to pay an annual fee to the Highlands Capital Improvement Fund based on the number of deficient spaces so that the Borough may provide the parking at one of its municipal lots.
- Where a shared parking approach for uses with different peak demand periods could result in a total overall lower parking requirement, the Borough may allow the construction of the lesser number of spaces, provided the site plan shows how the additional space will be provided if necessary.

PARKING ACCESS

Where possible on corner lots and through lots, structured parking and open parking areas under buildings should not be accessed from Bay Avenue, but rather should be accessed from the rear of the lot or from a side street. Such access allows for a more inviting and safer street frontage, without the interruption of driveways or parking areas located underneath buildings.

The permitted number and width of driveways and curb cuts from a public street are detailed in existing zoning, [Section 21-65.5, Driveways](#). In addition, in the CBD, continuous curb cuts (such as lead to a row of pull-in parking spaces) are prohibited.

Parking Design and Buffering

Surface Parking Lots

Nonresidential surface parking lots shall be screened through landscaping and /or fencing as approved by the Land Use Board.

Exposed Parking Level on Ground Floor of a Building

Where the ground-level of a building, regardless of the building use, includes parking spaces that are exposed along any street frontage, one or more of the following improvements shall be included to soften the view of the parked cars. Any portion of street-facing building frontage that remains open, with the exception of driveways and parking entries, shall be buffered with a low masonry wall of one to three feet in height, a decorative fence of three to four feet in height, and/or a landscaping planter bed. Plantings, if used, should include a variety of species and should include those that maintain shape and texture through the winter, such as evergreens and tall native grasses. Alternately, the entire parking facade (except for driveways and parking entries) may be covered with a wood or PVC lattice screen, set within or behind regularly-spaced piers or columns.



A low wall and a simple chain fencing delineate a parking lot

Solid Walls around Parking Level on Ground Floor of a Building

Where all or a portion of a ground floor's solid facade wall faces a public street, it is important to break down the scale of the facade and provide some transparency and connection to the street.

Accordingly, any portion of a ground floor's solid facade wall that faces a public street shall include the following measures. Windows and/ or ventilation screens or grates should be provided at least every 20 feet.

High clerestory windows with translucent or opaque glazing are suggested for maximizing privacy while creating a sense of visual permeability in the parking facade. Alternately, metal grilles or screens may be used in windows to allow inflow and outflow of floodwaters. Large expanses of walls should be broken down in scale, for example with a thicker masonry base, accent trim, and/or contrasting textures or brickwork.

B. Bicycle Parking

For buildings containing more than three (3) residential units, indoor bicycle parking racks shall be provided within a secure, access-controlled room inside each building or within a separate area within the parking area, at a minimum ratio of one indoor bicycle parking space for every 4 residential units. At least 15 square feet of area shall be provided for each bicycle space to account for maneuvering room around handlebars and pedals; double-height racks to stack bicycles are permitted



Attractive outdoor bicycle parking racks

in order to meet this requirement. Bicycle racks must be securely anchored and designed to allow the bicycle frame and one wheel to be secured.

Outdoor bicycle racks shall also be provided near the primary pedestrian entry, as follows. A minimum ratio of one (1) outdoor bicycle parking space shall be provided for every eight (8) residential units, as well as one (1) outdoor bicycle space for every 2,000 square feet of retail or commercial space. Bicycle racks must be securely anchored and designed to allow the bicycle frame and one wheel to be secured.

IX. DESIGN STANDARDS

A. Building Design

BUILDING ORIENTATION AND ACCESS

For parcels with frontage along Bay Avenue, the front facade shall face Bay Avenue. For parcels not adjoining Bay Avenue, but located along Shore Drive, the front facade shall face Shore Drive. For parcels not located along either of these streets, the orientation of the front facade is flexible.

The primary entry door to ground-floor retail or commercial uses shall be located within the front facade.

In mixed-use buildings, residential entry doors may be located on a side facade as long as the entry door to the other active use is located in the front facade.

FACADE TRANSPARENCY

All glazed windows and doors below the Base Flood Elevation must comply with FEMA Technical Bulletin 2 (TB2), Highlands Borough Floodplain Management Regulations (Land Use Chapter 21), and the Uniform Construction Code.

Retail / Commercial Uses

At least 50 percent of the front facade area of retail and commercial spaces (whether ground floor or elevated) shall have large storefront-style plate glass windows and fully glazed doors, in order to maximize visibility into the space. At a side street, the side frontage (whether ground floor or elevated) shall include windows comprising at least 50 percent of that floor's facade area for at least the front ten (10) feet of the space.

Decorative Roll-up or fold-away windows or walls are encouraged for front facades of restaurants, cafés, and other retail businesses in order to allow the interior space to be more open and well-ventilated during good weather. Seating for outdoor dining is encouraged as well.

Residential Uses in mixed use buildings

The primary entry door for residential uses shall include a glazed area, such as a row of glass lites or a large panel of glass. To further accentuate the door, side lite windows and wall-mounted sconce lighting are encouraged.

Residential uses on upper floors shall include windows comprising at least 25 percent of the facade area along all street-facing facades.

MASSING AND ARTICULATION

Vertical Bays

The following applies to all new buildings exceeding 40 feet in length or width. Such buildings shall be broken down along all street-facing facades into a series of vertical bays each not to exceed 30 feet in width. Each bay shall be defined by a physical change in plane of at least one (1) foot relative to adjacent bays, such as is provided by a recessed or projecting bay, stacked balconies or porches, or stacked projecting bay windows. Differentiation based only on facade colors or materials is insufficient to define a bay.

Roof Form

Sloping roofs with deep eaves or overhangs are the preferred roof forms and are incentivized by the definition of where building height is measured. Cross-gables and dormers are encouraged on sloping roofs. Any areas of flat roof should receive horizontal emphasis such as deep overhangs, parapets, and/or cornices. On larger buildings, the roofline shape should vary in relation to the massing of vertical bays below.

Articulation

Building facades shall be articulated and enlivened with elements such as bay windows, balconies, piers, corner boards, overhangs, awnings or canopies, porches, windows and varied materials and textures, so as to avoid large uninterrupted areas of blank walls. Shutters, if used, shall be large enough to actually cover the window they frame, even if they will remain fixed in place.

On buildings with ground-floor retail or commercial uses, architectural accents shall be used to highlight the ground floor, such as: a cornice band above the storefront floor, flat sheltering canopies over entryways and large expanses of windows, wall-mounted sconce or gooseneck lighting, decorative tilework, and attractive signage.

Green Building Design

On southern exposures, buildings shall include projecting overhangs, flat canopies, brise-soleils / sunshades and the like to shield against solar gain, provide shade, and increase building energy efficiency.

Roof coverings painted in highly-reflective, light colors are encouraged. Green roofs are encouraged as a means to help detain precipitation and provide insulation to floors below.

ARCHITECTURAL STYLE AND MATERIALS

Building Styles

A broad design palette is permitted, provided that buildings have high quality design. Buildings are encouraged to make reference to prevailing historic styles and vernacular materials of the Jersey Shore, such as (but not limited to) shingle cottages, “gingerbread” trim, generous front porches (often on all levels of a building), and gambrel or hipped roof forms with dormers. However, references to historical motifs should be used in moderation and only where they form a cohesive design.

Façade Materials

Preferred façade materials include fiber cement and wood siding in horizontal clapboards or shingles, board and batten siding, brick, cultivated stone, or other masonry compliant with FEMA Technical Bulletin 2 (TB2). Stucco and EIFS are prohibited in the floodplain. Materials used below BFE+1 must meet FEMA flood damage-resistant material requirements. Materials, detailing, and articulation should be consistent along all building facades.

Application of Materials

No more than three different materials should be used as primary materials within each building bay. Within the chosen primary materials, variation in color, texture, and/or pattern may be employed to create further distinctions. Changes in materials, colors, texture, or pattern that occur across a horizontal line should be marked by a change in plane, dimensional band or belt cornice, a recessed channel, or similar horizontal feature. Materials should be extended around corners and extensions to a logical vertical break in plane, in order to avoid a “pasted on” appearance. The level of materials, detailing, and articulation should be consistent along all building facades, not just street-facing facades.

B. Public Improvements

This section discusses possible improvements that the Borough of Highlands could make on its public rights-of-way to help improve the pedestrian environment.

Gateway Treatments

Within the public right-of-way, special Gateway treatments at important intersections could help to reinforce the Central Business District’s identity as a distinct place and create a sense of entry to the Borough. Refer to the [Gateway Parcels](#) section of this plan for a description of the three designated Gateway areas. It is recommended that the Borough improve the public streetscape in these areas with such features as unit-paver pedestrian crosswalks at all sides of major intersections, bulb-outs at the ends of parking lanes to shorten pedestrian crossing distances, “Welcome to downtown Highlands” signage, public art, rain gardens, and landscaped sidewalk plantings and accent street trees.

Street Landscaping and Open Spaces

Downtown Highlands has few street trees. In part this is due to the very narrow sidewalk widths and the need to provide adequate clear walking paths for pedestrians. Street trees need generous planting volume to grow and thrive. In addition, periodic saltwater flooding may make for an inhospitable tree environment. Some towns with narrow sidewalks plant street trees in curbed planting areas within the parking lane between designated parking spots. Similarly, Highlands could plant street trees in the parking lane between driveway entry curb cuts. It should be noted, however, that trees in the parking lane make it more difficult to street-sweep and plow snow.

The landscaping in these front setback areas should include large street trees or smaller ornamental trees, either of which would contribute greatly to the appeal of Bay Avenue for pedestrians. In addition, the front setbacks will create an effectively wider sidewalk width, making the walking environment more spacious and comfortable.

X. REDEVELOPMENT ACTIONS

This Redevelopment Plan provides for several actions in support of the overall Redevelopment Plan goals and objectives, as follows:

A. Appointment of Designated Redeveloper

In order to redevelop a property within the Redevelopment Area, an individual or entity shall first be designated as a Redeveloper of the property by the Council of the Borough of Highlands (the “Governing Body”) in accordance with the LRHL. Designation of a Redeveloper by the Governing Body shall be subject to the execution of a Redevelopment Agreement as negotiated between the Redeveloper and the Borough setting forth the scope of the project, terms, obligations and conditions of the project/parties. Properties within the Redevelopment Area which are developed with one- and two-family houses do not require the property owner/developer to be designated as a Redeveloper by the Governing Body, but such properties are subject to the requirements of this Redevelopment Plan.

Potential redevelopers will be required to submit to the Borough for review and approval prior to the designation as a redeveloper at a minimum:

- Financial responsibility and capability;
- Estimated development cost;
- Estimated time schedule;
- Conceptual site plans including visual plans and elevations at a minimum;
 - Building elevations should indicate the proposed building/flood resistant materials to be constructed at all of the building’s facades.
 - The concept plan should include a site specific massing diagram which includes the mix of uses proposed for the project along with the size of the proposed program components.
- Fiscal impact analysis.

The Borough may, at any time, entertain an unsolicited proposal from a prospective redeveloper or property owner for redevelopment of a redevelopment project. The Borough may also issue an RFQ/RFP to solicit interest in a project. After review and evaluation of all proposals by the Borough, the Governing Body may select a redeveloper and proceed to negotiate a Redevelopment Agreement. The Governing Body may also reject all proposals.

B. Review Process

The review process for all redevelopment projects shall consist of the following steps:

Review of Proposed Development Plan: An application for redevelopment shall first be reviewed by the Borough staff and submitted to the Borough Planner for a consistency determination which shall include, but not be limited to, a review of the project to determine the general compliance with the

proposed development and uses of the parcel and related standards in the Redevelopment Plan, the aesthetics of the project and the project's coordination with other existing projects and with proposed development and uses.

After a favorable consistency review, a redevelopment agreement with the prospective redeveloper shall be negotiated. The Governing Body may then adopt a resolution designating the redeveloper as the "Redeveloper" for a specific portion of the Redevelopment Area and authorizing the execution of the redevelopment agreement. No application may proceed to the Land Use Board for preliminary/final site plan approval prior to the designation of a redeveloper and the execution of a Redevelopment Agreement.

C. Properties to Be Acquired

The Redevelopment Area is designated as a "non-condemnation Redevelopment Area"; no properties are currently identified for acquisition by eminent domain for redevelopment purposes.

D. Relocation

Any redeveloper will be required to provide for the temporary and permanent relocation, as necessary, of residents in the project area in accordance with applicable statutes and regulations.

The Redevelopment Area and surrounding areas include a substantial amount of decent, safe and sanitary dwelling units affordable to displaced residents.

F. Duration of Plan

The provisions of this Plan specifying redevelopment of the Redevelopment Area and the requirements and restrictions with respect thereto shall be in effect for a period of 30 years from the date of approval of this plan by the Borough Council.

F. Other Actions

In addition to the actions described above, several other actions may be taken to further the goals of this Plan. These actions may include, but shall not be limited to:

- Demolition of existing structures as necessary to allow for new flood compliant construction and elimination of existing FEMA National Violation Properties that are not eligible for Community Rating System discounts.
- The option to consolidate and/or resubdivide lots to the extent necessary.
- Provisions for utilities and other infrastructure necessary to service and support new development.
- Environmental remediation as necessary to effectuate the Redevelopment Plan.
- Creation and/or vacation of easements as may be necessary for redevelopment.
- Any and all other actions and powers authorized by State law, including, but not limited to, the LRHL.

XI. GENERAL ADMINISTRATIVE REQUIREMENTS

A. Site Plan and Subdivision Review

For any development plan requiring site plan or subdivision approval, prior to commencement of construction, a site plan and/or subdivision for construction of improvements within the Redevelopment Area, prepared in accordance with the requirements of the MLUL, shall be submitted by the applicant for review and approval by the Highlands Land Use Board, unless such approval has previously been granted. One- and two-family homes are specifically exempt from site plan review. Subdivision approval shall also be required for any lot consolidations or mergers.

B. Easements

No building shall be constructed over a public easement in the Redevelopment Area without prior written approval of the Engineer of the Borough of Highlands.

C. Adverse Influences

No use or reuse shall be permitted which, when conducted under proper and adequate conditions and safeguards, will produce corrosive, toxic or noxious fumes, glare, electromagnetic disturbance, radiation, smoke, cinders, odors, dust or waste, undue noise or vibration, or other objectionable features so as to be detrimental to the public health, safety or general welfare.

D. Non-Discrimination Provisions

No covenant, agreement, lease, conveyance, or other instrument shall be affected or executed by the Borough of Highlands Mayor and Council or by a developer or any of his or her successors or assignees, whereby land within the Redevelopment Area is restricted upon the basis of race, creed, color, ancestry, sex, national origin, family status, disability, or sexual orientation in the sale, lease, use or occupancy thereof. Appropriate covenants, running with the land forever, will prohibit such restrictions and shall be included in the disposition instruments. There shall be no restrictions of occupancy or use of any part of the Redevelopment Area on the basis of race, creed, color, ancestry, sex, national origin, family status, disability, or sexual orientation.

E. Affordable Housing Provisions

This paragraph addresses the requirements of the LRHL at N.J.S.A. 40A:12A-7 pertaining to existing affordable dwelling units. The Redevelopment Area includes 155 tax lots, of which approximately 100 are developed with buildings that include one or more residential units, either as a freestanding residential use or within a mixed-use structure. There are no known dwelling units in the Redevelopment Area subject to formal affordability controls. Any residents displaced by redevelopment of a building containing a dwelling unit will be provided statutory relocation services.

The mandatory set-aside requirements in Section 26-2 of the Borough of Highlands Affordable Housing Ordinance apply to any multifamily residential development of five (5) dwelling units or more, including the residential portion of a mixed-use project. Any affordable housing obligation shall be addressed in the Redevelopment Agreement.

F. Deviation Requests

The Highlands Land Use Board may grant deviations from the regulations contained within this Redevelopment Plan where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Highlands Land Use Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this Redevelopment Plan and the benefits of the deviation would outweigh any detriments. No relief may be granted under the terms of this section unless such deviation or relief can be granted without substantial detriment to the public good and without substantial impairment of the intent and purpose of the Redevelopment Plan. An application for a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accord with the requirements of public notice as set forth in N.J.S.A. 40:55D-12a and b.

Deviation requests are not permitted on any FEMA regulation, NFIP standard, Highlands Borough Floodplain Management Regulation (Land Use Chapter 21), or Uniform Construction Code regulations.

Notwithstanding the above, any changes which would result in a “d” variance shall be permitted only by means of an amendment of the Redevelopment Plan by the Borough governing body and only upon a finding that such deviation would be consistent with and the furtherance of the goals and objectives of this Redevelopment Plan.

G. Escrows

Any redeveloper shall be responsible to post sufficient escrows to cover any and all costs of the professional consultants retained by the Borough of Highlands to review the proposed redevelopment project and advise the Borough on any and all aspects of the redevelopment process.

H. Electric Vehicle Charging Infrastructure

Pursuant to the LRHL at N.J.S.A. 40A:12A-7, the Redevelopment Plan mandates the provision of public electric vehicle charging infrastructure in a manner that appropriately connects with an essential public charging network. There are multiple existing municipal parking lots in the Redevelopment Area, of which one or more may be considered for siting of the charging network. In addition, pursuant to P.L. 2021, c.171, which was signed into law on July 9, 2021, electric vehicle supply/service equipment and parking spaces pre-wired for electric vehicle supply/service are now permitted accessory uses in all zoning or use districts Statewide, and certain nonresidential and multifamily residential developments are subject to installation of electric vehicle charging infrastructure.

XII. PLAN CONSISTENCY REVIEW

A. Relationship to Master Plans of Adjacent Municipalities

The Borough of Highlands shares municipal boundaries with the Borough of Atlantic Highlands, the Township of Middletown and the Borough of Sea Bright. However, the Redevelopment Area is located in the interior of Highlands and is not proximate to any of the adjacent municipalities. This Redevelopment Plan will not impact any of the adjacent municipalities or their master plans.

B. Relationship to the Monmouth County Master Plan

Monmouth County's current Master Plan was adopted in 2016. The Monmouth County Master Plan designates Highlands as a "Priority Growth - Reinvestment Area/Site Overlay (PG-RAS)." These are defined as "(a)reas or sites located within the PGIA where more intense or significant development, redevelopment, revitalization, and hazard mitigation investments are highly encouraged."

The Redevelopment Plan is also consistent with the goals of the Monmouth County Master Plan, notably the following: "Promote beneficial development and redevelopment that continues to support Monmouth County as a highly desirable place to live, work, play, and stay."

In addition, Monmouth County conducted a Master Plan Reexamination in 2018. The 2018 Reexamination reaffirms the goals, principles, objectives, and policy recommendations of the 2016 Master Plan.

C. Relationship to the State Development and Redevelopment Plan

The New Jersey State Development and Redevelopment Plan (the "SDRP") was originally adopted in 1992. The purpose of the SDRP according to the State Planning Act at N.J.S.A. 52:18A-200(f) is to:

Coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.

A revised version of the plan was adopted by the State Planning Commission in 2001. While required by the State Planning Act to be revised and readopted every three years, the SDRP has only been re-adopted once during the 29 years since its original adoption. It is anticipated that a revised draft SDRP will be released to the public and subject to the cross-acceptance process in April, 2024.

This Redevelopment Plan is consistent with the SDRP, as it epitomizes the smart growth principles set forth. In particular, the Redevelopment Plan promotes the preservation and reuse of developed property, and development of vacant properties, in an area well served by infrastructure, roads and transit, while also promoting upgrades to mitigate impacts from flooding. This Redevelopment Plan therefore furthers the goals, strategies and policies of the SDRP.

XIII. PROCEDURE FOR AMENDING THE PLAN

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of law. Applicable fees and escrows shall be payable to the Borough of Highlands for any request to amend this Plan.

APPENDIX A: REDEVELOPMENT AREA TAX PARCELS

BLOCK	LOT	ADDRESS
40.01	21.01	40 WEST NORTH STREET
40.01	21.02	42 WEST NORTH STREET
40.01	22.01	38 WEST NORTH STREET
41	2.01	57 BAY AVENUE
41	3	59 BAY AVENUE
41	4	61 BAY AVENUE
41	5	65-67 BAY AVENUE
41	6	69-71 BAY AVENUE
41	7	30 SECOND STREET
41	8	75 BAY AVENUE
41	9	BAY AVENUE
41	10	85-87 BAY AVENUE
41	13.01	95-99 BAY AVENUE
42	1	60 BAY AVENUE
42	10	88 BAY AVENUE
42	12.01	84 BAY AVENUE
42	13	78 BAY AVENUE
42	14	74 BAY AVENUE
42	15	68 BAY AVENUE
45	4.01	102 BAY AVENUE
45	6.01	98 BAY AVENUE
45	7	92 BAY AVENUE – KAY STREET
46	1	103-107 BAY AVENUE
46	2	111 BAY AVENUE
46	3	123 BAY AVENUE
46	4	125 BAY AVENUE
46	5	139 BAY AVENUE
46	6	141 BAY AVENUE
46	7	143 BAY AVENUE
46	8	BAY AVE & WEST NO ST
47	6	132 BAY AVENUE
47	7	130 BAY AVENUE
47	8	128 BAY AVENUE
47	9	126 BAY AVENUE
47	10	124 BAY AVENUE
47	11	122 BAY AVENUE
47	12	120 BAY AVENUE
52	1	CORNWALL ST & BAY
52	2	140 BAY AVENUE
53	1	MILLER ST
53	2	65 MILLER STREET
53	3	9 WEST NORTH STREET

BLOCK	LOT	ADDRESS
53	4	7 NORTH STREET
53	5	63 MILLER STREET
53	6	BAY AVE & MILLER ST
53	7	BAY AVENUE
53	8	157 BAY AVENUE
53	9	151 BAY AVENUE
54	1	150 BAY AVENUE
54	3.01	146-148 BAY AVE
54	4	144 BAY AVENUE
54	5	38 NORTH STREET
54	7.01	49 MILLER STREET
58	1	154 BAY AVENUE
58	3.01	50 MILLER STREET
58	17.01	192 BAY AVENUE
58	18	190 BAY AVENUE
58	19 (& 20)	188 BAY AVENUE
58	23.01	182 BAY AVENUE
58	24	170 BAY AVENUE
58	25	168 BAY AVENUE
58	26	164 BAY AVENUE
59	5	SECOND ST
59	6	SECOND TO MILLER
59	8	66 MILLER STREET
59	9	165 BAY AVENUE
59	10	171 BAY AVENUE
59	11.01	181 BAY AVENUE
59	11.02	179 BAY AVENUE
59	13.01	187 BAY AVENUE
59	14	191 BAY AVENUE
59	16.01	193-195 BAY AVENUE
63	4	VALLEY STREET
63	5	197 BAY AVENUE
63	6	203 BAY AVENUE
63	7	205 BAY AVENUE
63	9.01	207 BAY AVENUE
63	10	211 BAY AVENUE
63	11	213 BAY AVENUE
63	13.01	215 BAY AVENUE
63	14	219-221 BAY AVENUE
63	15	219-221 BAY AVENUE
63	16	225 BAY AVENUE
63	17	227 BAY AVENUE

BLOCK	LOT	ADDRESS
63	19.01	231 BAY AVENUE
64	1	196 BAY AVENUE
64	2	208 BAY AVENUE
64	17	230 BAY AVENUE
64	18	228 BAY AVENUE
64	19	226 BAY AVENUE
64	20	222 BAY AVENUE
64	21	218 BAY AVENUE
64	22	218 BAY AVENUE
64	23	216 BAY AVENUE
64	24	214 BAY AVENUE
64	25	210 BAY AVENUE
64	28.01	208 BAY AVENUE
69	1	234 BAY AVENUE
69	2	238 BAY AVENUE
69	4.01	242 BAY AVENUE
69	6.01	29 ATLANTIC STREET
70	1	233 BAY AVENUE
70	2	235 BAY AVENUE
70	3	237 BAY AVENUE
70	15	239 BAY AVENUE
70	16	241 BAY AVENUE
70	17	245 BAY AVENUE
71	4	247 BAY AVE – ATLANTIC ST
71	5	249 BAY AVENUE
71	6	251 BAY AVENUE
72	1	28 ATLANTIC STREET
72	2	BAY AVENUE
72	11.01	270 BAY AVENUE
72	12	272 BAY AVENUE
73	2	SEADRIFT AVENUE
74	1	273 BAY AVENUE
74	8.01	83 BARBARIE AVENUE
74	9	277 BAY AVENUE
75	1	274-276 BAY AVENUE
75	17	282 BAY AVENUE
75	18	284 BAY AVENUE
80	1	286 BAY AVENUE
80	2	288 BAY AVENUE
80	20	294 BAY AVENUE
80	21	292 BAY AVENUE

BLOCK	LOT	ADDRESS
80	22	290 BAY AVENUE
81	1	285 BAY AVENUE
81	10.01	295 BAY AVENUE
81	12	289 BAY AVENUE
82	1.01	297-299 BAY AVENUE
82	6.01	BAY & HUDDY AVE
83	1 (& 14)	300 BAY AVENUE
88	1.01	311 BAY AVENUE
88	2	71 WATERWITCH AVENUE
88	3	71 WATERWITCH AVENUE
88	4.01	67-69 WATERWITCH AVENUE
88	5	321 BAY AVENUE
89	1	310 BAY AVENUE
89	2	58-60 HUDDY AVENUE
89	13.01	65 WATERWITCH AVENUE
94	1	BAY & WATERWITCH AVE
94	15.02 & 15.03 (was 15)	69-71 SNUG HARBOR AVE
94	16	329 BAY AVENUE
95	1	WATERWITCH & BAY AVE
96	1	331 BAY AVENUE
96	2.01	171 BAY AVENUE
96.01	2.01	BAY AVENUE
96 (was 96.01)	3	409 BAY AVENUE
114	1.01	SHORE DRIVE
114	1.02	SHORE DRIVE
114	3.02	SHORE DRIVE

APPENDIX K
BOROUGH OF HIGHLANDS
ADDITIONAL AFFORDABLE HOUSING RESOLUTIONS
RESOLUTION #19-262
RESOLUTION #25-124
RESOLUTION #25-125



**BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH
RESOLUTION 19-263**

A Resolution of the Council of the Borough of Highlands, County of Monmouth, State of New Jersey Adopting the 'Affirmative Marketing Plan' for the Borough of Highlands

WHEREAS, in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26-1, *et seq.*, the Borough of Highlands is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Borough of Highlands, are affirmatively marketed to low and moderate income households, with preference provided to homeless veterans, disabled veterans, and family members who are the primary residential caregivers to disabled veterans residing with them, particularly those households living and/or working within Housing Region 4, the COAH Housing Region encompassing the Borough of Highlands.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Borough Council of the Borough of Highlands, County of Monmouth, State of New Jersey, do hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

- A. All affordable housing units in the Borough of Highlands shall be marketed in accordance with the provisions herein.
- B. This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low, low- and moderate-income units, including those that are part of the Township's prior round Fair Share Plan and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan. This Affirmative Marketing Plan shall also apply to any rehabilitated rental units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units.
- C. The Affirmative Marketing Plan shall be implemented by one or more Administrative Agent(s) designated by and/or under contract to the Borough of Highlands. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.

- D. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Borough of Highlands, shall undertake, at the minimum, all of the following strategies:
1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.
 2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.
 3. At least one additional regional marketing strategy using one of the other sources listed below.
- E. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. Pursuant to N.J.S.A. 40:37A-114.1, preference for affordable housing within a housing project shall be provided to homeless veterans, disabled veterans, and family members who are the primary residential caregivers to disabled veterans residing with them. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Borough of Highlands is located in COAH Housing Region 4, consisting of Monmouth, Mercer, and Ocean Counties.
- F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:
1. All newspaper articles, announcements and requests for applications for very low, low and moderate income units shall appear in the *Star Ledger* and the *Asbury Park Press*.
 2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspapers once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
 3. The advertisement shall include a description of the:
 - a. Location of the units;

- b. Directions to the units;
 - c. Range of prices for the units;
 - d. Size, as measured in bedrooms, of units;
 - e. Maximum income permitted to qualify for the units;
 - f. Location of applications;
 - g. Business hours when interested households may obtain an application; and
 - h. Application fees.
- 4. Newspaper articles, announcements and information on where to request applications for very low, low-, and moderate-income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers serving the housing region, one of which shall be circulated primarily in Monmouth County and the other two of which shall be circulated primarily outside of Monmouth County but within the housing region.
 - 5. The developer must provide satisfactory proof of public dissemination. See "Attachment A," ***Affirmative Fair Housing marketing Plan for Affordable Housing Region 4*** (attached to and hereby made part of this Resolution).
- G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:
- 1. Highlands Borough Hall
 - 2. Highlands Borough Web Site
 - 3. Developer's Sales/Rental Offices
 - 4. Monmouth County Administration Building
 - 5. Mercer County Administration Building
 - 6. Ocean County Administration Building
 - 7. Monmouth County Library (all branches)
 - 9. Mercer County Library (all branches)
 - 10. Ocean County Library (all branches)

Applications shall be mailed by the Administrative Agent and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch branches of the NAACP; and the Supportive Housing Association for dissemination to their respective constituents.

H. The Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Monmouth, Mercer, and Ocean Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers identified in Attachment A, Part III, Marketing, Section 3d of COAH's ***Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 4*** (attached to and hereby made part of this Resolution) as well as the following entities: Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch branches of the NAACP; and the Supportive Housing Association.

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:

Monmouth County Board of Realtors
Mercer County Board of Realtors
Ocean County Board of Realtors

2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Monmouth, Mercer, and Ocean:

Welfare or Social Service Board (via the Director)
Rental Assistance Office (local office of DCA)
Office on Aging
Housing Authority (municipal or county)
Community Action Agencies
Community Development Departments

3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on Attachment A, Part III, Marketing, Section 3d.
4. In addition, specific notification of the availability of affordable housing units in Highlands (along with copies of the application form) shall be provided to the

following entities: Fair Share Housing Center Fair Share Housing Center; the New Jersey State Conference of the NAACP; the Latino Action Network; the Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, Greater and Long Branch branches of the NAACP; and the Supportive Housing Association.

- J. A random selection method to select occupants of very low, low and moderate income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16 (l). The Affirmative Marketing Plan shall provide a regional preference for very low, low and moderate income households that live and/or work in COAH Housing Region 4, comprised of Monmouth, Mercer and Ocean Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Township prior to the affirmative marketing of the units.
- J. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low-, and moderate-income households; to place income eligible households in very low, low-, and moderate-income units upon initial occupancy; to provide for the initial occupancy of very low, low-, and moderate-income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low-, and moderate-income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26.1, *et seq.*
- K. The Administrative Agent shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.
- L. All developers/owners of very low, low-, and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent.
- M. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low-, and moderate-income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- N. The Administrative Agent shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C.5:80-26.1, *et seq.*

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
BRASWELL			X			
BROULLON		X	X			
MAZZOLA			X			
RYAN			X			
O'NEIL	X		X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: 10/16/2019


 Matthew Conlon, RMC, Municipal Clerk



Attachment A

**AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in (REGION 4)**

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

1a. Administrative Agent Name, Address, Phone Number		1b. Development or Program Name, Address	
1c. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:		
1h. County Mercer, Monmouth, Ocean		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received.
--

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

☐ White (non-Hispanic) ☒ Black (non-Hispanic) ☒ Hispanic ☐ American Indian or Alaskan Native
☐ Asian or Pacific Islander ☐ Other group:

3b. **HOUSING RESOURCE CENTER** (www.njhousing.gov) A free, online listing of affordable housing ☐

3c. Commercial Media (required) (Check all that applies)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS PARTIAL HOUSING REGION 4			
Daily Newspaper			
<input type="checkbox"/>		Trenton Times	Mercer
<input type="checkbox"/>		Trentonian	Mercer
<input type="checkbox"/>		Asbury Park Press	Monmouth, Ocean
<input type="checkbox"/>		Ocean County Observer	Ocean
Weekly Newspaper			
<input type="checkbox"/>		Ewing Observer	Mercer
<input type="checkbox"/>		Hopewell Valley News	Mercer
<input type="checkbox"/>		Lawrence Ledger	Mercer
<input type="checkbox"/>		Pennington Post	Mercer
<input type="checkbox"/>		Princeton Town Topics	Mercer
<input type="checkbox"/>		Tempo Mercer	Mercer
<input type="checkbox"/>		Trenton Downtowner	Mercer
<input type="checkbox"/>		Windsor Heights Herald	Mercer
<input type="checkbox"/>		West Windsor-Plainsboro News	Mercer, Middlesex
<input type="checkbox"/>		Princeton Packet	Mercer, Middlesex, Somerset
<input type="checkbox"/>		Messenger-Press	Mercer, Monmouth, Ocean
<input type="checkbox"/>		Woodbridge Sentinel	Middlesex
<input type="checkbox"/>		Atlanticville	Monmouth
<input type="checkbox"/>		Coaster	Monmouth
<input type="checkbox"/>		Courier	Monmouth
<input type="checkbox"/>		Examiner	Monmouth
<input type="checkbox"/>		Hub, The	Monmouth

<input type="checkbox"/>		Independent, The	Monmouth
<input type="checkbox"/>		News Transcript	Monmouth
<input type="checkbox"/>		Two River Times	Monmouth
<input type="checkbox"/>		Coast Star, The	Monmouth, Ocean
<input type="checkbox"/>		Beach Haven Times	Ocean
<input type="checkbox"/>		Beacon, The	Ocean
<input type="checkbox"/>		Berkeley Times	Ocean
<input type="checkbox"/>		Brick Bulletin	Ocean
<input type="checkbox"/>		Brick Times	Ocean
<input type="checkbox"/>		Jackson Times	Ocean
<input type="checkbox"/>		Lacey Beacon	Ocean
<input type="checkbox"/>		Manchester Times	Ocean
<input type="checkbox"/>		New Egypt Press	Ocean
<input type="checkbox"/>		Ocean County Journal	Ocean
<input type="checkbox"/>		Ocean Star, The	Ocean
<input type="checkbox"/>		Tri-Town News	Ocean
<input type="checkbox"/>		Tuckerton Beacon	Ocean
<input type="checkbox"/>		Atlantic Highlands Herald	Monmouth

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 4			
<input type="checkbox"/>		2 WCBS-TV CBS Broadcasting Inc.	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		11 WPIX WPIX, Inc. (Tribune)	

<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
TARGETS PARTIAL HOUSING REGION 4			
<input type="checkbox"/>		25 W25AW WZBN TV, Inc.	Mercer
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Mercer
<input type="checkbox"/>		60 WBPH-TV Sonshine Family Television Corp	Mercer
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcasting Corp.	Mercer
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Mercer
<input type="checkbox"/>		41 WXTV WXTV License Partnership, G.P. (Univision Communications Inc.)	Mercer, Monmouth
<input type="checkbox"/>		3 KYW-TV CBS Broadcasting Inc.	Mercer, Ocean
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Mercer, Ocean
<input type="checkbox"/>		12 WHYY-TV WHYY, Inc.	Mercer, Ocean
<input type="checkbox"/>		17 WPHL-TV Tribune Company	Mercer, Ocean
<input type="checkbox"/>		23 WNJS New Jersey Public Broadcasting Authority	Mercer, Ocean
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Mercer, Ocean
<input type="checkbox"/>		35 WYBE	Mercer, Ocean

		Independence Public Media Of Philadelphia, Inc.	
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	Mercer, Ocean
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	Mercer, Ocean
<input type="checkbox"/>		57 WPSG CBS Broadcasting Inc.	Mercer, Ocean
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, LLC	Mercer, Ocean
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	Mercer, Ocean
<input type="checkbox"/>		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	Monmouth
<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, LLC	Monmouth
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	Monmouth
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	Monmouth
<input type="checkbox"/>		68 WFUT-TV Univision New York LLC	Monmouth, Ocean (Spanish)
<input type="checkbox"/>		62 WWSI Hispanic Broadcasters of Philadelphia, LLC	Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL HOUSING REGION 4			
<input type="checkbox"/>		Cablevision of Hamilton	Partial Mercer, Monmouth
<input type="checkbox"/>		Comcast of Central NJ,	Partial Mercer, Monmouth

<input type="checkbox"/>		Patriot Media & Communications, CNJ	Partial Mercer
<input type="checkbox"/>		Cablevision of Monmouth, Raritan Valley	Partial Monmouth
<input type="checkbox"/>		Comcast of Mercer County, Southeast Pennsylvania	Partial Middlesex
<input type="checkbox"/>		Comcast of Monmouth County	Partial Monmouth, Ocean
<input type="checkbox"/>		Comcast of Garden State, Long Beach Island, Ocean County, Toms River	Partial Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
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TARGETS ENTIRE HOUSING REGION 4

AM

<input type="checkbox"/>		WWJZ 640	
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
<input type="checkbox"/>		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WPST 94.5	

FM

<input type="checkbox"/>		WKXW-FM 101.5	
<input type="checkbox"/>		WPRB 103.3	

TARGETS PARTIAL HOUSING REGION 4

AM

<input type="checkbox"/>		WFIL 560	Mercer, Monmouth
<input type="checkbox"/>		WMCA 570	Monmouth, Ocean
<input type="checkbox"/>		WFAN 660	Mercer, Monmouth
<input type="checkbox"/>		WNYC 820	Mercer, Monmouth
<input type="checkbox"/>		WWBD 860	Mercer
<input type="checkbox"/>		WPHY 920	Mercer
<input type="checkbox"/>		WNTD 990	Mercer
<input type="checkbox"/>		WCHR 1040	Mercer
<input type="checkbox"/>		WOBM 1160	Monmouth, Ocean
<input type="checkbox"/>		WWTR 1170	Mercer
<input type="checkbox"/>		WPHT 1210	Mercer, Monmouth

<input type="checkbox"/>		WBUD 1260	Mercer, Monmouth
<input type="checkbox"/>		WIMG 1300	Mercer
<input type="checkbox"/>		WADB 1310	Monmouth, Ocean
<input type="checkbox"/>		WHTG 1410	Monmouth
<input type="checkbox"/>		WCTC 1450	Mercer, Monmouth
<input type="checkbox"/>		WBCB 1490	Mercer
<input type="checkbox"/>		WTTM 1680	Mercer, Monmouth
FM			
<input type="checkbox"/>		WNJT-FM 88.1	Mercer
<input type="checkbox"/>		WWFM 89.1	Mercer, Monmouth
<input type="checkbox"/>		WRDR 89.7	Monmouth, Ocean
<input type="checkbox"/>		WRTI 90.1	Mercer
<input type="checkbox"/>		WBJB-FM 90.5	Monmouth
<input type="checkbox"/>		WWNJ 91.1	Ocean
<input type="checkbox"/>		WTSR 91.3	Mercer
<input type="checkbox"/>		WBGD 91.9	Ocean
<input type="checkbox"/>		WFNY-FM 92.3	Mercer, Monmouth
<input type="checkbox"/>		WXTU 92.5	Mercer
<input type="checkbox"/>		WOBM-FM 92.7	Ocean
<input type="checkbox"/>		WPAT-FM 93.1	Mercer, Monmouth
<input type="checkbox"/>		WMMR 93.3	Mercer
<input type="checkbox"/>		WNYC-FM 93.9	Mercer, Monmouth
<input type="checkbox"/>		WYSP 94.1	Mercer
<input type="checkbox"/>		WJLK-FM 94.3	Monmouth, Ocean
<input type="checkbox"/>		WFME 94.7	Mercer, Monmouth
<input type="checkbox"/>		WZZO 95.1	Mercer
<input type="checkbox"/>		WPLJ 95.5	Mercer, Monmouth
<input type="checkbox"/>		WBEN-FM 95.7	Mercer
<input type="checkbox"/>		WRAT 95.9	Monmouth, Ocean
<input type="checkbox"/>		WCTO 96.1	Mercer
<input type="checkbox"/>		WQXR-FM 96.3	Mercer, Monmouth
<input type="checkbox"/>		WRDW-FM 96.5	Mercer
<input type="checkbox"/>		WQHT 97.1	Mercer, Monmouth
<input type="checkbox"/>		WSKQ-FM 97.9	Mercer, Monmouth
<input type="checkbox"/>		WOGL 98.1	Mercer
<input type="checkbox"/>		WMGQ 98.3	Mercer, Monmouth
<input type="checkbox"/>		WRKS 98.7	Mercer, Monmouth
<input type="checkbox"/>		WUSL 98.9	Mercer, Monmouth
<input type="checkbox"/>		WAWZ 99.1	Mercer, Monmouth
<input type="checkbox"/>		WBAI 99.5	Mercer, Monmouth
<input type="checkbox"/>		WJRZ-FM 100.1	Ocean
<input type="checkbox"/>		WHTZ 100.3	Mercer, Monmouth
<input type="checkbox"/>		WCBS-FM 101.1	Mercer, Monmouth
<input type="checkbox"/>		WQCD 101.9	Mercer, Monmouth
<input type="checkbox"/>		WIOQ 102.1	Mercer

<input type="checkbox"/>		WNEW 102.7	Mercer, Monmouth
<input type="checkbox"/>		WMGK 102.9	Mercer
<input type="checkbox"/>		WKTU 103.5	Mercer, Monmouth
<input type="checkbox"/>		WAXQ 104.3	Mercer, Monmouth
<input type="checkbox"/>		WWPR-FM 105.1	Mercer, Monmouth
<input type="checkbox"/>		WDAS-FM 105.3	Mercer, Monmouth
<input type="checkbox"/>		WCHR-FM 105.7	Ocean
<input type="checkbox"/>		WJJZ 106.1	Mercer, Monmouth
<input type="checkbox"/>		WHTG-FM 106.3	Monmouth, Ocean
<input type="checkbox"/>		WLTW 106.7	Mercer, Monmouth
<input type="checkbox"/>		WKDN 106.9	Mercer
<input type="checkbox"/>		WWZY 107.1	Monmouth, Ocean
<input type="checkbox"/>		WBLS 107.5	Mercer, Monmouth
<input type="checkbox"/>		WWPH 107.9	Mercer

3d. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)

	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
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TARGETS ENTIRE HOUSING REGION 4

Weekly

		Nuestra Comunidad	Central/South Jersey	Spanish-Language
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TARGETS PARTIAL HOUSING REGION 4

Weekly

<input type="checkbox"/>		New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>		El Hispano	Camden and Trenton areas	Spanish-Language
<input type="checkbox"/>		Ukrainian Weekly	New Jersey	Ukrainian community

3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)

DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION
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Mercer County			
<input type="checkbox"/>		Mercer County Board of Education	1075 Old Trenton Rd, Trenton, NJ
<input type="checkbox"/>		Medical Center at Princeton	253 Witherspoon St, Princeton, NJ
<input type="checkbox"/>		Bristol-Myers Squibb	100 Nassau Park Blvd, Princeton, NJ and 820 Bear Tavern Rd, Trenton, NJ
<input type="checkbox"/>		St. Lawrence Rehabilitation Center	2381 Lawrenceville Rd, Lawrenceville, NJ
<input type="checkbox"/>		McGraw-Hill	120 Windsor Center Dr, East Windsor, NJ
<input type="checkbox"/>		Conair Corporation	150 Milford Rd, Hightstown, NJ
<input type="checkbox"/>		Shiseido America, Inc.	366 Princeton Hightstown Rd, East Windsor, NJ
<input type="checkbox"/>		NJ Manufacturers Insurance Company	1001 Grand St S, Hammonton, NJ
<input type="checkbox"/>		Homasote	932 Lower Ferry Rd, Trenton, NJ
<input type="checkbox"/>		Robert Wood Johnson University Hospital	1 Hamilton Health Pl, Trenton, NJ
<input type="checkbox"/>		Congoleum Corp.	3500 Quakerbridge Rd, Mercerville, NJ
<input type="checkbox"/>		Coca-Cola Foods	480 Mercer St, Hightstown, NJ
<input type="checkbox"/>		Peddie School	111 Armellino Ct, Hightstown, NJ
<input type="checkbox"/>		Dana Communications	2 E Broad St, Hopewell, NJ
<input type="checkbox"/>		Merrill Lynch	410 Scotch Rd, Hopewell, NJ
<input type="checkbox"/>		Janssen Pharmaceutical	1125 Trenton Harbourn Rd, Titusville, NJ
<input type="checkbox"/>		St. Francis Medical Center	601 Hamilton Avenue Trenton NJ 08629-1986
<input type="checkbox"/>		The Trenton Times	500 Perry St, Trenton, NJ
<input type="checkbox"/>		Gaum. Inc.	1080 US Highway 130, Robbinsville, NJ
Monmouth County			
<input type="checkbox"/>		Meridian Health System	1350 Campus Parkway Neptune
<input type="checkbox"/>		US Army Communications	CECOM Bldg 901 Murphy drive Fort Monmouth

		Electronics Command Fort Monmouth	
<input type="checkbox"/>		County of Monmouth Hall of Records	1 East Main Street Freehold
<input type="checkbox"/>		Central State Healthcare Systems	West Main Street Freehold
<input type="checkbox"/>		Monmouth Medical Center	300 Second Ave Long Branch
<input type="checkbox"/>		Asbury Park Press	3601 Route 66 Neptune, NJ
<input type="checkbox"/>		Food Circus Super Markets, Inc.	835 Highway 35 PO BOX 278 Middletown, NJ
<input type="checkbox"/>		Monmouth University	Cedar Ave West Long Branch
<input type="checkbox"/>		Naval Weapons stations Earle	State Highway 34 Colts Neck, NJ
<input type="checkbox"/>		Norkus Enterprises, Inc.	505 Richmond Ave Point Pleasant, NJ
<input type="checkbox"/>		Horizon Blue Cross Blue Shield	1427 Wyckoff Road Farmingdale, NJ

Ocean County

<input type="checkbox"/>		Saint Barnabas Health Care System	300 2nd Ave Long Branch, NJ 07740
<input type="checkbox"/>		Six Flags Theme Parks Inc	Route 537 Jackson, NJ 08527
<input type="checkbox"/>		Meridian Health Care System	415 Jack Martin Blvd, Brick, NJ
<input type="checkbox"/>		Southern Ocean County Hospital	1140 Route 72 West, Manahawkin, NJ
<input type="checkbox"/>		Jenkinsons	300 Ocean Ave Pt. Pleasant Beach, NJ 08742

3f. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)

Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach

IV. APPLICATIONS

4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)

4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).

Name (Type or Print)

Title/Municipality

Signature

Date



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 25-124

APPOINTING HEYER, GRUEL & ASSOCIATES AS THE BOROUGH'S ADMINISTRATIVE AGENT FOR THE YEAR 2025

WHEREAS, the Borough of Highlands requires an affordable housing administrative agent to provide affordability control services for all affordable units constructed or to be constructed in the Borough for the calendar year 2025 pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, such services can only be provided by professionals with specialized knowledge and Heyer, Gruel & Associates is so recognized; and

WHEREAS, Heyer, Gruel & Associates has set forth its proposed services in a written proposal dated May 21, 2025 a copy of which is available at the office of the Borough Clerk; and

WHEREAS, Heyer, Gruel & Associates has completed and submitted a Business Entity Disclosure Certification which certifies that Heyer, Gruel & Associates has not made any reportable contributions to a political or candidate committee in the Borough of Highlands in the previous one year and that the contract will prohibit Heyer, Gruel & Associates from making any reportable contributions through the term of the contract; and

WHEREAS, Heyer, Gruel & Associates has completed and submitted a Political Contribution Disclosure form in accordance with P.L. 2005, c 271; and

WHEREAS, the Chief Financial Officer has certified that funds are available in account #5-01-35-410-000-201.

NOW, THEREFORE BE IT RESOLVED, by the Borough Council of the Borough of Highlands as follows:

1. Heyer, Gruel & Associates is hereby appointed Administrative Agent for the Borough of Highlands for the calendar year 2025 and is awarded a professional services contract for an amount not to exceed \$3,000.00 for such services for the period of January 1, 2025, through December 31, 2025.
2. The Mayor and Borough Clerk are hereby authorized to sign a contract for Administrative Agent services in accordance with this Resolution.
3. This contract is awarded without competitive bidding as "Professional Services" in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-5(1)(a)(i), because it is for services performed by persons authorized by law to practice a recognized profession.

4. A copy of the Resolution as well as the contract shall be placed on file with the Borough Clerk.
5. The Borough Clerk is hereby directed to publish notice of this award as required by law.

Motion to Approve R 25-124:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES			X			
CHELAK			X			
MELNYK	X		X			
OLSZEWSKI			X			
BROULLON		X	X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: May 21, 2025



 Nancy Tran, Municipal Clerk
 Borough of Highlands



BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH

RESOLUTION 25-125

APPOINTING THE BOROUGH ADMINISTRATOR AS THE DESIGNATED MUNICIPAL HOUSING LIAISON FOR THE YEAR 2025

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq., the Borough of Highlands is implementing a program to provide affordable housing units to low- and moderate-income households within the Borough; and

WHEREAS, the Borough's Affordable Housing Ordinance sets forth the duties of the Municipal Housing Liaison that requires a Municipal Housing Liaison oversee the Borough's affordable housing program; and

WHEREAS, pursuant to N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq., Highlands is required to appoint a Municipal Housing Liaison for administration of the Borough's Affordable Housing Program to enforce the requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1 et seq.

NOW THEREFORE BE IT RESOLVED, by the Borough of Highlands, County of Monmouth, State of New Jersey, that the Borough of Highlands hereby appoints the Borough Administrator as the Municipal Housing Liaison for the administration of the affordability controls of the Borough's housing program for the year 2025.

Motion to Approve R 25-125:

	INTRODUCED	SECOND	AYE	NAY	ABSTAIN	ABSENT
CERVANTES			X			
CHELAK			X			
MELNYK	X		X			
OLSZEWSKI			X			
BROULLON		X	X			

This is a Certified True copy of the Original Resolution on file in the Municipal Clerk's Office.

DATE OF VOTE: May 21, 2025



Nancy Tran, Municipal Clerk
Borough of Highlands