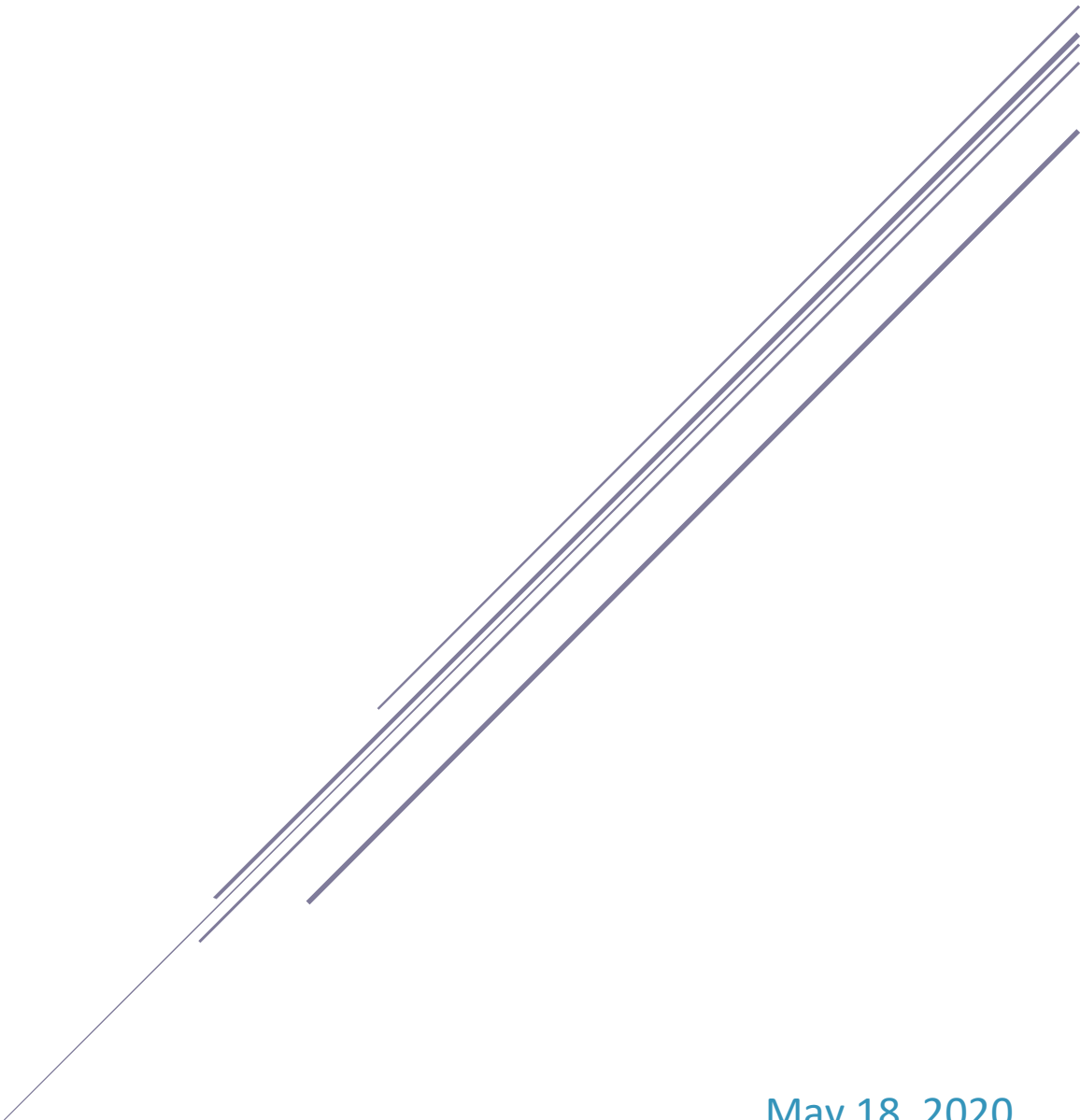


# AFFORDABLE HOUSING MIDPOINT REVIEW REPORT

Borough of Northvale



May 18, 2020

## PURPOSE

Paragraph 21 of the Borough of Northvale's 2018 Settlement Agreement with Fair Share Housing Center (hereinafter "FSHC") requires that the Borough comply with the statutory midpoint review requirements of the Fair Housing Act and specifically N.J.S.A. 52:27D-313, which states "...the Council shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public..." This Midpoint Review Report has been modeled after the template prepared by FSHC and modified to more closely reflect the conditions in the municipality, the Settlement Agreement with FSHC, and the Court-approved Housing Element and Fair Share Plan.

The 2018 Settlement Agreement requires that the midpoint review be posted on the Borough website. The review acts as a status report regarding the Borough's compliance mechanisms and whether or not any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. This review includes mechanisms addressing the unmet need.

## RELEVANT BACKGROUND

Northvale filed its Declaratory Judgment Action on July 6, 2015. The Borough executed a Settlement Agreement with FSHC in February of 2018. The 2018 Settlement Agreement outlines Northvale's affordable housing obligations: a 5-unit Rehabilitation Obligation, an 86-unit Prior Round Obligation, and a 196-unit Third Round Obligation. However, the Borough sought and received a Vacant Land Adjustment for the Second Round, which reduced the obligation to 0. Northvale again sought a Vacant Land Adjustment for the Third Round, which produced a 3-unit Realistic Development Potential (hereinafter "RDP").

On August 1, 2018, Judge Farrington entered an Order Relating to Settlement Between the Borough of Northvale and Fair Share Housing Center following the Fairness Hearing on April 12, 2018. Thereafter, the Borough prepared and adopted the requisite compliance documents. However, during this time period the Borough and Fair Share Housing Center acknowledged and agreed that it would be acceptable for the Borough to address a portion of its outstanding Unmet Need Obligation by replacing the potential municipally-sponsored development with the creation of an overlay zone. This amendment triggered the need for an Amendment to the Settlement Agreement. FSHC and the Mayor executed the Amendment to the Settlement Agreement on January 10, 2020. The Borough has requested a Final Compliance Hearing before Judge Farrington and awaits a date from the Court.

## CONDITIONS OF COMPLIANCE

As noted in the section above, the Borough amended its settlement. FSHC and the Mayor executed the Amendment to the Settlement Agreement on January 10, 2020. The Borough has requested a Final Compliance Hearing before Judge Farrington and awaits a date from the Court. Therefore, there is no final judgment or conditions of compliance at this time.

As per Paragraphs 19 and 20 of the 2018 Settlement Agreement, the trust fund and unit monitoring shall be submitted on the anniversary of the Judgment of Repose/Compliance. The review of very-low income housing requirements shall be submitted within 30 days of the third anniversary of the Judgment of Repose/Compliance, which is outlined in Paragraph 21. No Judgment of Repose/Compliance has been issued, so monitoring is not yet required.

## PRIOR ROUND MECHANISM REVIEW

The Borough of Northvale received Substantive Certification from COAH, which granted a Vacant Land Adjustment to the Borough for the Prior Round Obligation. The RDP was 0. However, the parties have agreed in the context of settlement, that the Borough may treat 27 units and 9 bonuses to address 36 units of the Prior Round Obligation as RDP. Five existing mechanisms generate 27 credits and 9 bonuses. See the table below for a summary of the units allocated to the Prior Round RDP.

PRIOR ROUND RDP MECHANISMS						
Development	Block & Lot	Description	Ordinance Adopted (Y/N)	Status	Existing Affordable Units	Proposed Affordable Units
National Institute for People w/ Disabilities	B411, L3	Licensed group home	N/A	Received CO in 2000	6	
Franklin Heights	B912, L6	100% affordable development owned by HABC	N/A	Received CO in 1995	9	
Spectrum for Living	B1009, L7	Licensed group home	N/A	Received CO in 1987	6	
New Concepts for Living	B703, L6	Licensed group home	N/A	Received CO in 2017	4	
Northvale Senior Residence, LP	B913, L1	100% affordable development	N/A	Received CO in 2016	2	

The 50-unit Unmet Need will be addressed with the mechanisms outlined on page 3. It should be noted that the application for 192 Livingston Street (Eastern Allied Construction) is a result of the Paris Avenue Overlay Zone. The application required several variances, which the Board ultimately granted. The application was approved in February 2020 and is currently in the resolution compliance process.

PRIOR ROUND UNMET NEED MECHANISMS						
Development	Block & Lot	Description	Ordinance Adopted (Y/N)	Status	Existing Affordable Units	Proposed Affordable Units
Franklin Heights	B912, L6	100% affordable development owned by HABC	N/A	Received CO in 1995	1	
The Manor on Paris	B912, L2	100% affordable development owned by HABC	N/A	Received CO in 2012	11	
Northvale Senior Residence, LP	B913, L1	100% affordable development	N/A	Received CO in 2016	1	
Paris Avenue Overlay Area	Various blocks & lots	Overlay zone that conditionally permits inclusionary multi-family development	Y	Ordinance #1003-2019 adopted August 27, 2019. Awaiting applications.		TBD
192 Livingston Street (Eastern Allied Construction)	B909, L6	Multi-family development application within the Paris Avenue Overlay Zone	Y	Resolution 20-04 memorialized February 5, 2020. 10-unit building with 2 affordable units.		2
Light Industrial Overlay Zone	Various blocks & lots	Overlay zone that conditionally permits inclusionary multi-family development	Y	Ordinance #1007-2019 adopted August 27, 2019. Awaiting applications.		TBD

### THIRD ROUND REALISTIC OPPORTUNITY REVIEW

The realistic opportunity standard applies to all RDP mechanisms for Vacant Land Adjustment municipalities. The table below summarizes the mechanisms allocated to the Third Round RDP and their current status.

THIRD ROUND REALISTIC DEVELOPMENT POTENTIAL MECHANISMS						
Development	Block & Lot	Description	Ordinance Adopted (Y/N)	Status	Existing Affordable Units	Proposed Affordable Units
Northvale Senior Residence, LP	B913, L1	100% affordable development	N/A	Received CO in 2016	3	

As indicated above, Northvale has a 5-unit Rehabilitation Obligation. As noted in Paragraph 5 of the Settlement Agreement, this obligation will be satisfied with five units existing at the Northvale Senior Residence, LP.

## THIRD ROUND UNMET NEED

The table below summarizes the mechanisms allocated to the Third Round Unmet Need and their current status. An application has been submitted for a multi-family development, which requires a use variance, along with several other variances. The application has not been deemed complete as of May 23, 2020. If approved, the Borough-wide Set-aside Ordinance would be triggered, and the applicant has been notified of said requirement.

THIRD ROUND UNMET NEED MECHANISMS						
Development	Block & Lot	Description	Ordinance Adopted (Y/N)	Status	Existing Affordable Units	Proposed Affordable Units
Light Industrial Overlay Zone	Various blocks & lots	Overlay zone that conditionally permits inclusionary multi-family development	Y	Ordinance #1007-2019 adopted August 27, 2019. Awaiting applications.		TBD
Borough-wide Set-aside Ordinance	TBD	Ordinance that requires a set-aside for affordable housing if certain multi-family thresholds are met	Y	Ordinance #1006-2019 adopted August 27, 2019. Awaiting applications.		TBD
Northvale Senior Residence, LP	B913, L1	100% affordable development	N/A	Received CO in 2016	18	
Youth Consultation Service, Inc.	B1011, L6.01	Licensed group home	N/A	Opened home in 2017	4	

## VERY-LOW INCOME ANALYSIS

Paragraph 12 of the 2018 Settlement Agreement indicates that 13% of all units referenced in the Agreement created since July 17, 2008 shall be very-low income units. Half of those units must be available to families. The table on page 5 provides a status of units that have been or are expected to be constructed after July 17, 2008.

VERY-LOW INCOME UNITS						
Affordable Units Constructed or to be Constructed Since 2008	Total Affordable Units	Proposed VLI Units	Existing VLI Units	VLI Percentage of Total	Family?	Status
The Manor on Paris	11		11	100.0%	N	Received CO in 2012
Northvale Senior Residence, LP	29			0.0%	N	Received CO in 2016
New Concepts for Living	4		4	100.0%	N	Received CO in 2017
Youth Consultation Service, Inc.	4		4	100.0%	N	Opened home in 2017
192 Livingston Street (Eastern Allied Construction)	2	0		0.0%	Y	Resolution 20-04 memorialized February 5, 2020. 10-unit building with 2 affordable units. 1 low and 1 moderate.
Paris Avenue Overlay Area	TBD	TBD		TBD	TBD	Zoning adopted, awaiting application(s) for development.
Light Industrial Overlay Zone	TBD	TBD		TBD	TBD	Zoning adopted, awaiting application(s) for development.
Borough-wide Set-aside Ordinance	TBD	TBD		TBD	TBD	Zoning adopted, awaiting application(s) for development.

## CONCLUSION

Northvale's plan implementation continues to create a realistic opportunity where that standard is applicable, and the Borough has implemented its Unmet Need mechanisms, which continue to be constitutionally sufficient.