

**Borough of Point Pleasant
County of Ocean**

Midpoint Review Report

Purpose

The Borough of Point Pleasant is required to comply with the statutory midpoint review requirements of the Fair Housing Act (“FHA”) and specifically N.J.S.A. 52:27D-313, which provides in relevant part: “[t]he Council shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public.” This review requires the Borough to post on its website, with a copy to Fair Share Housing Center (“FSHC”) and the Court Master, and an opportunity for comment, a status report regarding its compliance mechanisms, and whether or not unbuilt sites/unfulfilled mechanisms continue to present a realistic opportunity. The midpoint review also contemplates review of unmet need/deferred mechanisms, though the realistic opportunity for the construction of those mechanisms during the compliance period is not applicable.

Relevant Background

On or about July 2, 2015, the Borough of Point Pleasant filed a declaratory judgment action, seeking a determination of its Round Three affordable housing obligations and approval of its proposed Housing Element and Fair Share Plan to satisfy such obligations and, thereby, obtain a Judgment of Compliance and Repose from the Court, pursuant to the March 2015 New Jersey Supreme Court decision, In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (“Mount Laurel IV”). The trial court appointed a Special Master, John Maczuga, P.P., A.I.C.P., as is customary in Mount Laurel matters. The Special Master assisted the Borough in reaching a settlement agreement with FSHC, a non-profit organization dedicated to protecting the rights of low and moderate income households in New Jersey. The Borough settled with FSHC in final form on October 5, 2016 (hereinafter “FSHC Settlement Agreement”), and the settlement was approved by the Court via an Order entered on November 28, 2016. The Borough obtained a final Judgment of Compliance and Repose approving the Borough’s Housing Element and Fair Share Plan on April 10, 2017, and secured immunity from all Mount Laurel lawsuits, including but not limited to, Builders Remedy lawsuits, until July 2, 2025.

The Court approved FSHC Settlement Agreement, established the Borough’s Third Round Fair Share obligations as follows:

- Rehabilitation Obligation: Zero (“0”)
- Prior Round Obligation (1987-1999): 343
- Third Round Gap and Prospective Need Obligation (1999-2025): 436

As part of the process described above, the Borough adopted all required resolutions and zoning ordinances.

Rehabilitation Program(s) Update

Since the Borough has a Rehabilitation Obligation of zero (“0”), it has no Rehabilitation Obligation to address for the Third Round.

Realistic Opportunity Review

The realistic opportunity standard applies to all mechanisms for non-adjustment municipalities, and Realistic Development Potential (or “RDP”) mechanisms for Vacant Land Adjustment municipalities. The Borough is a Vacant Land Adjustment municipality, and has a Court approved RDP of two (2).

The Borough has an obligation to create a realistic opportunity for the construction of proposed projects and compliance mechanisms that address its RDP during the current Third Round compliance period, which ends in July of 2025. Those mechanisms and the status of those mechanisms are as follows:

| <u>Mechanism</u> | <u>Description</u> | <u>Ordinance Adopted?</u> | <u>Status</u> | <u>Notes/Additional Information</u> |
|---|--|----------------------------------|----------------------|---|
| Sea Point Village inclusionary development (Block 105, Lots 28, 29, 40 and 41). | 16 total units (3 affordable family rental units). | Yes (September 20, 2016). | Under construction. | 2 Low Income units; 1 Moderate Income unit. |

Two (2) of the affordable units generated by the Sea Point Village inclusionary development are being used to fully satisfy the Borough’s RDP. The third affordable unit from the project will go towards addressing the Borough’s remaining unmet need. The project is under construction, with COs expected in the fall. Affirmative marketing of the affordable units in the project is already under way.

Unmet Need

As contemplated in the FSHC Settlement Agreement, the Borough is in the process of addressing its remaining unmet need as follows:

| <u>Mechanism</u> | <u>Ordinance Adopted?</u> |
|--|----------------------------------|
| Sea Point Village inclusionary project | Yes (September 20, 2016) |
| Route 88 Corridor Overlay Zone | Yes (July 18, 2017) |
| Mandatory Set Aside Ordinance | Yes (July 18, 2017) |
| Development Fee Ordinance | Yes |

1. One unit from the Sea Point Village inclusionary project is being applied to towards the Borough's remaining unmet need.
2. A proposed six (6) unit for-sale townhouse inclusionary project on Bridge Avenue, which received site plan approval on April 7, 2017 prior to the adoption of the Borough's Mandatory Set-Aside Ordinance, will produce one (1) affordable moderate income unit. The developer just broke ground on the project.

Conclusion

The Borough's plan implementation continues to create a realistic opportunity where that standard is applicable, and the Borough maintains sufficient mechanisms for addressing unmet need.