

**READINGTON TOWNSHIP COMMITTEE
MEETING – January 29, 2025**

Mayor Mueller *calls the meeting to order at 10:00 a.m.* announcing that all laws governing the Open Public Meetings Act have been met and that this meeting has been duly advertised.

PRESENT: Mayor A. Mueller, Deputy Mayor V. Panico, Mr. J. Albanese, Mr. J. Heller and Mr. Huelsebusch

ALSO PRESENT: Administrator R. Sheola, Municipal Clerk K. Parker, Attorney C. Corsini

ABSENT: None

NEW BUSINESS

1. ***Resolution of the Committee of the Township of Readington Committing to Round 4 Present and Prospective Need Affordable Housing Obligations***

Eric Harris, Planner from Clarke Caton & Hintz, provided a brief overview of the 4th Round affordable housing obligations, which have been calculated at 315 units. Attorney Michael Edwards outlined the process and timeline for moving forward, highlighting key steps and potential challenges that may arise.

The following resolution was offered for consideration:

#R-2025-51

**RESOLUTION OF THE COMMITTEE OF THE TOWNSHIP OF READINGTON
COMMITTING TO ROUND 4 PRESENT AND PROSPECTIVE NEED
AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, the Township has a demonstrated history of voluntary compliance as evidenced by its Round 3 record; and

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 2, 2015, the Township of Readington (hereinafter “Readington” or the “Township”) filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”), to be amended as necessary, satisfies its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine,” and

WHEREAS, that culminated in a Court-approved Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, which precludes builder’s remedy lawsuits until July 1, 2025; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 (hereinafter “A4” or “Amended FHA”); and

WHEREAS, A4 calculates the size of the regional affordable housing need as follows “projected household change for a 10-year round in a region shall be estimated by establishing the household change experienced in the region between the most recent federal decennial census, and the second-most recent federal decennial census. This household change, if positive, shall be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region, and to determine the regional prospective need for a 10-year round of low- and moderate-income housing obligations...”; and

WHEREAS, this means that the regional need equates to 40% of regional household growth; and

WHEREAS, the 1985 version of the Fair Housing Act and A4 both prohibit a result that would compel a municipality to spend its own money on compliance; and

Resolution #R-2025-51 cont'd:

WHEREAS, *the theory which permits a municipality to meet its obligations without municipal subsidy is zoning for “inclusionary zoning”;* and

WHEREAS, inclusionary zoning most typically requires a 15% or 20% set aside; and

WHEREAS, it is not clear how a regional need predicated upon 40% of anticipated growth can be met with 15-20% set asides and without municipal subsidy; and

WHEREAS, this is exacerbated by the fact that certain other municipalities in the region have an allocation of 0% of the prospective need (new construction obligation), irrespective of the growth in that particular municipality; and

WHEREAS, A4 yields a statewide new construction obligation of over 8,400 affordable units per year; and

WHEREAS, this is a substantially higher annual number than was imposed by COAH in the “Prior Round” or any iteration of its Round 3 regulations; and

WHEREAS, A4 determines the size of the regional need, but does not calculate allocation of the need to individual municipalities; and

WHEREAS, instead, A4 required the Department of Community Affairs (“DCA”) to produce non-binding estimates of need on or before October 20, 2024, which it did provide on October 18, 2024 (“DCA Report”); and

WHEREAS, the DCA Report calculates the Township’s Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 45 units and a Prospective Need or New Construction Obligation of 561 units; and

WHEREAS, the Township further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language: The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. **It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program.** (emphasis added); and

WHEREAS, the DCA maintains that the areas the DCA identified as developable are indeed overinclusive and, consequently, the Township’s Professional Planner, has prepared a report, attached hereto as Exhibit A; and

WHEREAS, the Township of Readington has commissioned its Township Planner of the firm Clarke Caton Hintz, P.C., to create a state-wide model and Region 3 allocations of Present Need and Prospective Need utilizing the formulas in Sections 6 and 7 of P.L. 2024, c. 2, in accordance with the provisions thereof; and

WHEREAS, through meticulous adherence to P.L. 2024, c. 2, , the Township Planner determined that Readington’s Present Need is 50 units and its Prospective Need is 315 units/credits; and

WHEREAS, based on the foregoing, Township of Readington accepts the alternative calculations prepared by Clarke Caton Hintz, P.C., for the Township of Readington’s fair share obligations and commits to its fair share of 50 units of Present Need and 315 units/credits of Prospective Need subject to any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

WHEREAS, Section 3 of A4 provides that: “the municipality’s determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7” of A4; and

Resolution #R-2025-51 cont'd:

WHEREAS, Township’s calculation of need is entitled to a “presumption of validity” because it complies with Sections 6 and 7 of A4; and

WHEREAS, the Township specifically reserves the right to adjust those numbers based on one or any of the foregoing adjustments: 1) a windshield survey or similar survey which accounts for a higher-resolution estimate of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon lack of sewer or lack of water); and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including, but not limited to the Highlands Regional Master Plan and its build out, the Pinelands or Meadowlands regulations and planning document; and

WHEREAS, in addition to the foregoing, the Township specifically reserves all rights to revoke or amend this resolution and commitment, as may be necessary, in the event of a successful challenge to A4 in the context of the Montvale case (MER-L-1778-24), any other such action challenging A4, or any legislation adopted and signed into law by the Governor of New Jersey that alters the deadlines and/or requirements of A4; and

WHEREAS, in addition to the foregoing, the Township reserves the right to take a position that its Round 4 Present or Prospective Need Obligations are lower than described herein in the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

WHEREAS, in light of the above, the Mayor and Committee finds that it is in the best interest of Township to declare its obligations in accordance with this binding resolution and in accordance with the Act 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 Act shall file an action in the form of a declaratory judgment complaint . . . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner; and

WHEREAS, nothing in this Resolution shall be interpreted as an acknowledgment of the legal validity of the AOC Directive and the Township reserves any and all rights and remedies in relation to the AOC Directive; and

WHEREAS, the Township seeks a certification of compliance with the Act and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution; and

NOW, THEREFORE, BE IT RESOLVED on this 29th day of January, 2025, by the Committee of the Township of Readington, Hunterdon County, State of New Jersey, as follows:

1. All of the Whereas Clauses are incorporated into the operative clauses of this resolution.

2. The Mayor and Committee hereby commit to a Present Need Obligation of 50 units and the Round 4 Prospective Need Obligation of 315 units as described in this resolution subject to all reservations of rights, which specifically include:

a) The right to adjust the number based on a windshield survey, lack of land, sewer, water, regional planning inputs, or any combination thereof;

b) As described in the WHEREAS section, all rights to revoke or amend this resolution in the event of a successful legal challenge, or legislative change, to A4;

c) All rights to take any contrary position in the event of a third party challenge to the obligations.

Resolution #R-2025-51 cont'd:

3. The Township hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint within 48 hours after adoption this resolution attaching this resolution.
4. The Township hereby directs its Affordable Housing Counsel to file this Resolution with the “Program” pursuant to the requirements on A4.
5. The Township hereby directs that this Resolution be published on the municipal website within forty-eight (48) hours of its passage, pursuant to A4.
6. This resolution shall take effect immediately, according to law.

A MOTION was made by Mr. Panico to adopt this resolution with revisions to be submitted by Attorney Edwards, seconded by Mr. Albanese and on Roll Call vote the following was recorded:

Mr. Albanese	-Aye
Mr. Heller	- Aye
Mr. Huelsebusch	- Aye
Mr. Panico	- Aye
Mayor Mueller	- Aye

The Committee went into Executive Session at 10:20 a.m.

EXECUTIVE SESSION:

Clerk read the following Resolution:

RESOLUTION
EXECUTIVE SESSION

WHEREAS, N.J.S.A. 10:4-6 *et seq.*, the Open Public Meetings Act, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, the Township Committee is of the opinion that such circumstances presently exist and desires to authorize the exclusion of the public from the portion of the meeting in accordance with the act;

NOW, THERFORE, BE IT RESOLVED by the Township Committee of the Township of Readington, County of Hunterdon, State of New Jersey as follows:

1. The public shall be excluded from discussion of and action upon the specified subject matter as set forth in the following Exhibit “A.”

EXHIBIT A

<u>Subject Matter</u>	<u>Basis Of Public Exclusion</u>	<u>Date Anticipated When Disclosed to Public</u>
Finance Operations Support (Phoenix Adv)	Contract Negotiations....	Certain information at the discretion of Township Committee tonight.... other

It is anticipated at this time that the stated subject matter will be made public on or about the time set forth in Exhibit “A.”

2. This Resolution shall take effect immediately.

A MOTION was made by Mr. Panico to adopt this resolution, seconded by Mr. Albanese with a vote of ayes all, nays none recorded.

The meeting reconvened at 10:40 a.m.

Executive Session:

The following matter was added to the Executive Session agenda:

Potential Litigation / Affordable Housing

Deputy Mayor Panico reported the 4th Round Affordable Housing resolution revisions were discussed.

Contract Negotiations / Finance Operations Support (Phoenix Advisors)

The following resolution was offered for consideration:

#R-2025-52

RESOLUTION AUTHORIZING A CONTRACT WITH PHOENIX ADVISORS FOR TEMPORARY FINANCE CONSULTANT SERVICES

WHEREAS, the Township Committee has appointed Laurie Finger as a Temporary Finance Assistant per Resolution 2025-35 on January 21, 2025 and it is the wish of the Township Committee to rescind that Resolution; and

WHEREAS, there exists a need for specialized and qualitative services for temporary municipal finance administrative services and overseeing various Township finance functions that requires expertise, extensive training and proven reputation in this field of endeavor; and

WHEREAS, the maximum amount of the contract in question is \$75,000 for six(6) months and sufficient funding is available and has been certified as evidenced by the Township Finance Officer's Certification attached hereto; and

WHEREAS, the designation of Laurie Finger as a management consultant along with Joseph Monzo as a Manager of PHOENIX ADVISORS, is specifically designed and intended to be a temporary appointment and contract; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 *et seq.*) requires that the resolution authorizing the award of contracts for "Extraordinary, Unspecifiable Services" without competitive bids and the contract itself must be available for public inspection; and

WHEREAS, the contract with PHOENIX ADVISORS meets the statute and regulations governing the award of said contracts, as per the attached Certification.

NOW THEREFORE BE IT RESOLVED, by the Township Committee of the Township of Readington as follows:

1. The Mayor and the Clerk are hereby authorized and directed to execute the attached agreement with PHOENIX ADVISORS for management consultant services.

Resolution #R-2025-51 cont'd:

2. This contract is awarded without competitive bidding as an “Extraordinary, Unspecifiable Services” in accordance with N.J.S.A. 40A:11-5(1)(a) of the Local Public Contracts Law because the services requested are specialized municipal administrative consulting services that require expertise, substantial experience and proven reputation in the multi-faceted aspects of overseeing municipal functions. These qualifications require an individual whose background includes substantial experience and training in administration, finance, budget and purchasing, personnel, State and federal grants, management and oversight of municipal employees and general government administration and governmental relations. Knowledge and familiarity of applicable Township and State laws and regulations are also required. Donna Mollineaux has satisfied all of these requirements, and her services are required to permit the Township to maintain critically important managerial oversight and administrative services pending the commencement of services by a duly appointed Chief Financial Officer. Precise specifications are not feasible because the services are multi-faceted and dependent on evolving day to day operational needs of the Township, emergent needs and unanticipated matters that will require the services of the management consultant. Likewise, it is not possible to delineate the specific knowledge or tasks required of the person providing this assistance since this will vary according to the work being undertaken. In general, this work is common to most developing communities of comparable size and structure to the Township of Readington. These factors as well as critical time constraints in securing the immediate services of a Temporary Finance Assistant do not permit the formulation of precise specifications.

3. Funding shall be paid from budget account Contract Services #5-01-103-212 in an amount not to exceed \$75,000 for six (6) months.

4. A notice of this action shall be published in the official newspaper authorized to publish notices for the Township of Readington within 20 days after passage of this resolution.

5. A copy of this Resolution and executed contract shall be filed in the Office of the Township Clerk.

A MOTION was made by Mr. Panico to adopt this resolution, seconded by Mr. Albanese and on Roll Call vote the following was recorded:

Mr. Albanese	-Aye
Mr. Heller	- Aye
Mr. Huelsebusch	- Aye
Mr. Panico	- Aye
Mayor Mueller	- Aye

COMMENTS FROM THE PUBLIC

There were none.

COMMENTS FROM THE GOVERNING BODY

There were none.

As there was no further business, **A MOTION** was made by Mr. Panico at 10:43 a.m. to adjourn the meeting, seconded by Mr. Huelsebusch with a vote of ayes all, nays none recorded.

Submitted by:

Karin M Parker, *RMC*
Municipal Clerk