PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

	Superior Court of New Jersey Law Division, Civil Part
In the Matter of the Borough of Borough of Saddle River County of Bergen	Docket No. BER-L-517-25
	Program Settlement Recommendation - Housing Element and Fair Share Plan

THIS MATTER, having come before the Affordable Housing Dispute Resolution Program (Program), pursuant to the Complaint for Declaratory Judgment filed in this matter on January 23, 2025 (DJ Complaint) by the Petitioner, Borough of Saddle River (Borough), pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (FHA), and in accordance with Administrative Directive #14-24 and its Addenda, seeking a certification of compliance with the FHA;

AND IT APPEARS that on May 16, 2025, the Hon. Gregg A. Padovano, J.S.C. entered an Order as follows:

a. Establishing the Borough's Fourth Round "present need" at 75;

b. Establishing the Borough's Fourth Round "prospective need" at 249;

c. Directing the Borough to prepare and adopt a Housing Element and Fair Share Plan on or before June 30, 2025; and

d. Granting the Borough immunity from exclusionary zoning litigation;

AND the Borough having timely adopted and filed its Proposed Fourth Round Housing Element and Fair Share Plan (HEFSP);

AND a challenge(s) to the Borough's Fourth Round HEFSP having been timely filed by interested party/parties: Fair Share Housing Center (FSHC) and AvalonBay Communities, Inc. (AvalonBay) alleging that the HEFSP failed to comply with the FHA and/or Mount Laurel doctrine;

AND the Program having appointed Special Adjudicator Francis J. Banisch, III, PP/AICP to the matter;

AND the Program Member having conducted a settlement conference(s) on October 8, 2025, November 9, 2025, December 15, 2025, December 16, 2025, December 17, 2025, and December 19, 2025, at which time the Borough and interested party FSHC reached a settlement and at which time interested party AvalonBay agreed on the record to withdraw its challenge pending resolution of a bilateral sewer agreement between the Borough and Allendale;

AND the settlement terms between the Borough and FSHC having been placed on the record on December 19, 2025, include, but are not limited to the following:

a. The Borough's Present Need (Rehabilitation) Obligation is

75;[1]

b. The Borough's Prospective Need Obligation (2025-2035) is 249;

c. The Borough's Prior Round Obligation is 162;

d. The Borough's Third Round Obligation (1999-2025) is 244;

e. The Borough's Realistic Development Potential (RDP) is 6, leaving an unmet need of 243. The Borough shall satisfy its Fourth Round RDP and Unmet Need as follows:

NAME	TYPE	UNITS	BONUSES	TENURES	STATUS
Choctau Trail/Block 1601, Lots 10, 10.01, 11	Family 100% affordable	19	2	Rental	Completed
20-22 E. Allendale Road/Block 1605, Lots 1 and 2	Senior, 100% affordable	26		Rental	Proposed
Saddle River Properties - Extensions of Controls on Existing Units	Family (57), Age-restricted (19)	Up to 76		For Sale, Rental	Proposed
Total		**Up to 121**	**2**		

i. The Borough will rezone Block 1605, Lot 2 to permit multifamily development at a density appropriate to facilitate 42 senior rental affordable units in conjunction with Block 1605, Lot 1.

ii. The Borough will adopt a mandatory set-aside ordinance requiring any new multifamily residential development of five units or more to include a minimum 20 percent affordable set-aside, regardless of tenure.

[1] The Mediation Agreement between the Borough and FSHC indicates that the Present Need Obligation is 76.

iii. The Borough will make reasonable efforts to extend the controls on "Saddle River Properties" existing units through payment of reasonable financial compensation to unit owner(s)/landlord, with reasonable financial compensation defined to mean that the Borough will not be required to pay more than $25,000 per extension of controls on a unit, and payment(s) to unit owner(s)/landlord of unit(s) to be made out of the Borough's Affordable Housing Trust Fund with no general funds of the Borough used to extend controls. It is understood that if the owner(s)/landlord of any or all units do not agree to extend the controls after being offered reasonable financial compensation as defined above, the Borough shall not be deemed to be in violation of (the) mediation agreement.

AND the Borough and interested party FSHC have executed a written Mediation Agreement memorializing these settlement terms (attached hereto as Exhibit A);

AND on February 3, 2026, interested party AvalonBay having filed a formal withdrawal of its challenge on eCourts;

AND the Borough having represented it intends to adopt an Amended HEFSP in accordance with the terms of the settlement;

AND the Program Member having determined that the terms of the settlement are fair, reasonable and adequately protects the interests of low and moderate-income residents of the Borough;

AND the Program Member having determined that the terms of the settlement are constitutionally compliant and provide a fair and reasonable opportunity for the Borough to meet its obligations under the FHA and Mount Laurel doctrine;

AND the Program Member having considered the written recommendation of the Special Adjudicator that the Borough's Housing Plan Element, to be amended in accordance with the terms of the Mediation Agreement, applies compliant mechanisms, meets the threshold requirements for rental and family units, does not exceed limits on other unit or category types, and is compliant with the FHA and the Mount Laurel doctrine;

AND for all those reasons as well as those set forth in the Statement of Reasons (attached hereto as Exhibit C), the Program hereby recommends an ORDER directing that:

a. The terms of the settlement be approved; and

b. In accordance with N.J.S.A. §52:27D-304.1(f)(2)(c), on or before March 15, 2026, the Borough adopt and file its Amended HEFSP that contains the terms of the settlement as well as the implementing ordinances and resolutions proposed within the Amended HEFSP; and

c. Thereafter, the court shall schedule a HESP Confirmation Hearing (or, if and as may later be determined necessary by the Mt. Laurel judge, a Fairness and/or Compliance Hearing) to consider approval of the Borough's Amended HEFSP and the issuance of a Certification of Compliance and Repose; and

d. Grant the Borough continued immunity from exclusionary zoning litigation for the duration of the compliance process conditioned upon the Borough's compliance with its order and good faith implementation of the Amended HEFSP and good faith participation in the compliance process.

Respectfully Submitted by the Program:

By:

Ronald E. Bookbinder
Hon. Ronald E. Bookbinder, A.J.S.C. (Ret.)

Dated: February 3, 2026