

PREPARED BY THE COURT

Hon. Lina P. Corrison, J.S.C.
Superior Court of New Jersey
Law Division – Civil Part
Bergen County
Bergen County Justice Center
10 Main Street
Hackensack, New Jersey 07601

**IN THE MATTER OF THE
DECLARATORY JUDGMENT
ACTION OF THE TOWNSHIP
OF TEANECK, BERGEN
COUNTY PURSUANT TO P.L.
2024, CHAPTER 2 (N.J.S.A.
52:27D-304.1, et seq.),**

Petitioner.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION – CIVIL PART
BERGEN COUNTY
DOCKET NO. BER-L-776-25
Civil Action

Mt. Laurel Program

AMENDED

**DECISION AND ORDER APPROVING
MUNICIPAL HOUSING ELEMENT AND
FAIR SHARE PLAN (“HEFSP”) FOR THE
FOURTH ROUND HOUSING CYCLE**

THIS MATTER, having come before the Court on referral from and recommendation issued by the Affordable Housing Dispute Resolution Program (“Program”), pursuant to the Complaint for Declaratory Judgment filed on January 30, 2025 (“DJ Complaint”) by the Petitioner, **TOWNSHIP OF TEANECK** (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the “Program”, seeking a certification of compliance with the FHA;

AND THE COURT, having entered its Decision and Order Fixing Municipal Obligations for “present need” and “prospective need” for the Fourth Round housing cycle on May 30, 2025 for the Municipality – specifically, therein establishing a “present need” obligation of 214 affordable housing units, and a “prospective need” obligation of 431 affordable housing units (collectively, the “Fourth Round Affordable Housing Obligation”);

AND IT APPEARING that, the Municipality adopted Resolution # 198-2025 on June 17, 2025 thereby endorsing its proposed Housing Element and Fair Share Plan (“HEFSP”) for the implementation of its Fourth Round Affordable Obligation accepting the DCA calculations; and thus by or before June 30, 2025, as provided for and in accordance with the FHA and Section III.A of Directive #14-24 (as amended), and which Plan contained the elements set forth in the “Addendum” attached to Directive #14-24 (as amended)

AND IT APPEARING that, challenges to the Municipality’s HEFSP (“Challenges”) were timely and properly filed by Defendant/Interested Parties, **143 State Street LLC** (“**State Street**”), **Hill Street Realty LLC** (“**Hill Street**”), **54 West Englewood Ave LLC** (“**54 West**”) and **Mohammed Saddiquilla and Vision 23 LLC** on August 28, 2025, and by **Fair Share Housing Center** (“**FSHC**”), on August 27, 2025, (each a “Challenger”, and collectively the “Challengers”) by and through their respective counsel, in accordance with the FHA and Section III.B of Directive #14-24, wherein the Challengers disputed, in whole or in part, certain compliance mechanisms and/or other aspects of the Municipality’s proposed HEFSP, as set forth in each Challenge;

AND IT APPEARING that, pursuant to the Program, the Administrative Office of the Courts (“AOC”) appointed and assigned the case to Program member, the Hon. Ronald E. Bookbinder, A.J.S.C. (Ret.) (“Program Member”) to manage the proceedings, host settlement conferences, conduct sessions, and make recommendations to the Court in accordance with the

FHA and the AOC's Directive #14-24, and that the Program Member appointed Nicholas A. Graviano, PP,AICP, J.D., an independent affordable housing expert, as special adjudicator ("Special Adjudicator") in this case to work with, make recommendations to, and assist the Program, and who worked closely with the Program Member;

AND IT APPEARING that, on October 6, 2025, October 9, 2025, October 17, 2025, October 24, 2025, December 1, 2025, December 11, 2025, December 12, 2025, December 16, 2025, December 18, 2025, December 19, 2025 and December 23, 2025, settlement conferences were conducted on notice to all parties with the participation of local officials, town planner, planners for FSHC, and attorneys for the Municipality and attorneys for the Challengers, and FSHC, in accordance with the statutory framework and Directive #14-24, and with the goal of reaching a resolution;

AND IT APPEARING that, the parties engaged in extensive settlement negotiations before and during the settlement conferences, with the guidance and assistance of the Program Member and the Special Adjudicator;

AND IT APPEARING that, as a result of the settlement conferences conducted, the Municipality and all of the Challengers reached separate resolutions ("Settlements"); the Settlements were placed on the record on December 23, 2025; and it appearing that the Municipality and FSHC entered into a Mediation Agreement dated January 5, 2026, signed by the Hon. Mark Schwartz, Mayor for the Township of Teaneck on January 5, 2026, and signed by Esme Devenney, Esq. for FSHC on January 7, 2026 (the "Mediation Agreement"), that was uploaded to eCourts on January 8, 2026, and which agreement sets forth the manner in which the Municipality shall address its Fourth Round affordable housing obligations (including a detailed description of Prior Round and Third Round Obligations as outlined therein); and the Program

further directed that the governing body of the Municipality adopt a resolution to accept and confirm the Settlement, which resolution shall also be uploaded to eCourts; and that the Municipality and 54 West Englewood and Mohammed Sadiqulla entered into a Settlement Agreement on January 15, 2026, signed by the Hon. Mark Schwartz, Mayor on January 15, 2026 and signed by Mohammed Saddiqulla on behalf of 54 West Englewood LLC on January 15, 2026 (the “54 Settlement Agreement”); and the Municipality and 143 State Street LLC entered into a Settlement Agreement on January 22, 2026, signed by the Hon. Mark Schwartz, Mayor and by 143 State Street LLC on January 22, 2026 (“the 143 Settlement Agreement”); and on January 15, 2026, the Municipality and Crossroads Companies, LLC entered into a Settlement agreement signed by the Hon. Mark Schwartz and by Crossroads Companies, LLC ; and the Municipality and Hill Street Realty entered into a Settlement Agreement in January 15, 2026 , signed by the Hon. Mark Schwartz, Mayor on January 15, 2026 and signed by Hill Street Realty LLC on January 15, 2026 (the “Hill Street Settlement Agreement”) ; and the municipality and Vision 23 LLC entered into a Settlement Agreement on January 22, 2026, signed by the Hon. Mark Schwartz. Mayor on January 15, 2026 and signed by Vision 23, LLC on January 22, 2026 (the “Vision Settlement Agreement”);

AND THE COURT, having received the Program Member’s report and Decision Recommendation and accompanying detailed Statement of Reasons contained therein, dated February 3, 2026, since posted to the eCourts jacket for this matter at Trans. ID: LCV2026272132, the findings, terms, and recommendations of which are incorporated by reference as though more fully set forth herein (the “Report”);

AND THE COURT, having been advised that (i) the Special Adjudicator has recommended acceptance of the Settlement, and rejection of the objections to the HEFSP raised

by Challengers, , (ii) the Program Member has recommended acceptance of each of the Settlements as reasonable and in furtherance of the interests of low- and moderate-income households in the Municipality (collectively, the “Recommendations”), and that (iii) the Program Member further recommends that the Court adopt the findings and recommendations set forth in the Report and enter an Order, *forthwith*, implementing the terms of Settlements and approving each of the Settlements Agreement, dismissing the Challenges of **143 State Street LLC, Hill Street Realty LLC, Crossroads Companies LLC, 54 West Englewood Ave LLC and Mohammed Sadiqulla, Vision 23 LLC and Fair Share Housing Center**, and to thereby formally approve the Municipality’s HEFSP (as adopted) (as amended) to implement the “present need” and “prospective need” obligations of the Municipality for the Fourth Round housing cycle;

AND THE COURT, having reviewed and considered the Program Member’s Report and Recommendations, having been satisfied that an arm’s length Settlement was reached and entered into by and between the Municipality and all Challengers, having concurred with the Program Member’s and Special Adjudicator’s recommendations for the reasons stated;

AND THE COURT having entered an Order on March 2, 2026 approving the Housing Element and Fair Share Plan (“HEFSP”) for the Fourth Round Housing Cycle;

AND THE COURT having received correspondence from Counsel for the Township advising that that Township’s original HEFSP filed on June 19, 2026 includes the compliance mechanisms recommended by the Program Judge’s settlement Recommendation filed in this matter on February 3, 2026; and that the Township has settlement agreements and stipulations of settlement with all intervenors and will effectuate zoning consistent with the settlement agreements and recommendations of the Program Judge;

AND IT FURTHER APPEARING that based upon the correspondence of Borough counsel of March 16, 2026 that one compliance mechanism is not included in the HEFSP, that is, 822 Palisade Avenue, which is included in the Settlement Agreement with FSHC. The Township did not want to go through the process of amending the HEFSP to include 822 Palisade Avenue, and the Settlement Agreement with FSHC did not require the Township to make and amendment to the HEFSP; and

AND IT FURTHER APPEARING that the Township seeks an amendment to the March 2, 2026 order entered by the court in order to complete the township's compliance and maintain immunity for builders' remedy lawsuits; specifically the Township requests that the March 2, 2026 order be amend to remove the requirement that the Township must amend the HEFSP by March 16, 2026, and that the Township Council was scheduled to meet on March 16, 2026 for a hearing on adoption of two (2) redevelopment plans and will meet on March 24, 2026 for a hearing on adoption of a final overlay zoning ordinance to achieve full compliance with the Township's approved Housing Element; and request that the Court amend the March 2 , 2026 Order to make the deadline for full compliance on March 25, 2026;

AND THE COURT, having found and determined that the proposed HEFSP as adopted is fair and equitable, shall provide a "realistic opportunity" for the construction and/or delivery of housing affordable to those of the protected class of low- and moderate-income households in the Municipality, and is thereby in their best interests, and for good and sufficient cause having otherwise been shown:

IT IS, THEREFORE, on and as of this 18th day of March, 2026 **ADJUDGED AND ORDERED**, that the Program Member's Report and Recommendations for approval of the Settlement and the implementing Settlement Agreements, and the HEFSP of the Municipality as

adopted (inclusive of the detailed report and recommendation of the Special Adjudicator referenced in the Program Member's Decision Recommendation), be, and the same hereby is **ACCEPTED** and **ADOPTED** in its entirety; and to that end, more specifically, it is further

ORDERED AND ADJUDGED, as follows:

1. That the Settlement and implementing Settlement Agreements, be, and the same hereby are **APPROVED**, with the exception that the Settlement Agreement be amended to remove any provision requiring the continued involvement of the Special Adjudicator, since the parties have agreed that the Special Adjudicator shall have no further duties or obligations under the Settlement Agreement.

2. That, (i) the endorsed HEFSP of the Municipality for the Fourth Round housing cycle previously filed in accordance with the requirements of the FHA and Directive #14-24 (as amended), be, and the same hereby is **APPROVED** by the Court; and (ii) that the Challenge thereto filed by all Challengers be, and the same hereby are **DISMISSED**.

3. That, in accordance with N.J.S.A. 52:27D-304.1(f)(2)(c), the Petitioner Municipality is hereby to adopt and file an Amended HEFSP that contains the terms of the Settlement and of all of Settlement Agreements, as well as to proceed, without further delay, to notice and adopt the implementing ordinances and resolutions proposed within the Amended HEFSP to ensure implementation of its Fourth Round HEFSP, incorporating therein any changes from the Program and this Court's Order, and on or before **MAY 29, 2026**; and

4. That, upon the adoption and filing of the foregoing, the Court shall schedule a Fairness and/or Compliance Hearing to consider approval of the Municipality's Amended HEFSP so as to issue and thereafter enter its formal Certification of Compliance and repose from builder's remedy and/or exclusionary zoning litigation in the Fourth Round housing cycle and the period of

2025 to 2035, pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b), (c), Section III.F of Directive #14-24 and for publication pursuant to N.J.S.A. 52:27D-304.1(f)(2)(e).

5. Failure to meet the May 29, 2026 deadline shall preclude the Court's issuance of a Certification of Compliance and Repose as required by the FHA and Directive #14-24 (as amended) and will thereby result in the Municipality losing immunity from builder's remedy and/or exclusionary zoning litigation.

IT IS FURTHER ORDERED that a copy of this Order shall be deemed served on the Petitioner, Petitioner's counsel, and counsel for all Challengers upon its posting by the Court to the eCourts case jacket for this matter pursuant to R. 1:5-1(a) and R. 1:32-2A.

SO ORDERED:



HON. LINA P. CORRISTON, J.S.C.

Designated Mt. Laurel Judge – Bergen Vicinage

(X) Challenged.

Pursuant to R. 1:7-4(a), the Court's Statement of Reasons is attached hereto and made a part hereof.

SUPPLEMENTAL STATEMENT OF REASONS

[R. 1:7-4(a) – Directive #14-24, Section III.F]

On March 2, 2026 this Court entered a Decision and Order Approving the Township’s Housing Element and Fair Share Plan for the Fourth Round Housing Cycle. On March 16, 2026, Counsel for the Township submitted correspondence to the Court advising that the Order requires the Township to file an Amended HEFSP by March 16, 2026 and that “(w)ith one limited and specific exception, the Township’s original Housing Element and Fair Share Plan filed on June 19, 2026(sic) includes the compliance mechanisms recommended by the Program Judge’s Settlement Recommendation....The one compliance mechanism project not included in the original Housing Element is 822 Palisades Avenue, included in the Settlement with Fair Share Housing Center. The Township did not want to go through the process of amending the Housing Element to include 822 Palisade Avenue so the settlement agreement did not require the Township to make an amendment to the Housing Element and Fair Share Plan ...In order to complete the Township’s compliance requirements, and maintain immunity from builder’s remedy lawsuits, the Township requests that the Court amend its prior order to remove the requirement to amend the Housing Element by March 16, 2026....”

The Court finds that the Township’s HEFSP must be amended to include the 822 Palisade Avenue project. The inclusion of the project in the amended HEFSP ensures that the municipality’s HEFSP reflects its compliance with the Mount Laurel doctrine and the FHA and ensures public accountability. Failure to amend the HEFSP to include the property specified in the settlement agreement could expose the municipality to challenges for non-compliance with the FHA and the Mount Laurel doctrine. Accordingly, the court finds that it is not sufficient for the property to be included solely in the settlement agreement. The Township must amend its HEFSP to formally incorporate the 822 Palisade Avenue project. The Court has extended the time within which the Township must adopt the Amended HEFSP to May 29, 2026.

SO ORDERED.