

BEATTIE PADOVANO, LLC

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Counsel for Plaintiff 54 West Englewood, LLC

54 West Englewood, LLC

Plaintiff,

vs.

Township of Teaneck and the Mayor and Council of
the Township of Teaneck

Defendants

SUPERIOR COURT OF NEW JERSEY
BERGEN COUNTY - LAW DIVISION

CIVIL ACTION

DOCKET NO.

COMPLAINT

A. Breach of Contract

B. Action in Lieu of Prerogative Writs

Plaintiff, 54 West Englewood, LLC, having offices at 94 Jackson Drive, Cresskill, New Jersey 07626, by way of Complaint against the Township of Teaneck and the Mayor and Council of the Township of Teaneck, both having offices at 818 Teaneck Road, Teaneck, New Jersey 07666, says:

Preamble

A. Parties

1. Plaintiff 54 West Englewood, LLC (“54 West Englewood”) is the owner and/or beneficial owner of property formally known and designated as Block 4905, Lots 1, 2 and 3 on the tax assessment maps of the Township of Teaneck (the “54 West Englewood Property”). As more fully described below, 54 West Englewood is a developer of affordable housing in Teaneck and is a taxpayer of the Township of Teaneck.

2. Defendant Township of Teaneck (the “Township”) is a body corporate and politic organized under the laws of the State of New Jersey.

3. Defendant Mayor and Council of the Township of Teaneck (the “Township Council”) is the governing body of the Defendant Township and is the municipal government of the Township.

B. Background

4. The Township filed a declaratory judgment action pursuant to the amended Fair Housing Act, N.J.S.A. 52:27D-301 on January 30, 2025 (the “DJ Action”).

5. In the DJ Action, the Township sought a declaratory as to its Present and Prospective Need for the so-called “Fourth Round” concerning its constitutional obligation to provide a realistic opportunity for the development of its fair share of the regional need of low and moderate income housing.

6. By Order entered on May 30, 2025, the Township was determined to have a Fourth Round Present Need of 214 units of affordable housing and a Fourth Round Prospective Need of 431 units of affordable housing.

7. The Township (along with its Planning Board) prepared and filed with the Affordable Housing Dispute Resolution Program a Housing Element and Fair Share Plan designed to address its Present and Prospective Need for the Fourth Round of affordable housing on or about June 19, 2025 (the “2025 HEFSP”).

8. The HEFSP identified a lack of sufficient vacant land to address the Township’s 431-unit Prospective Need.

9. The HEFSP included a vacant land inventory that assigned a realistic development potential to parcels within Teaneck that met the criteria set forth in the regulations of the Council on Affordable Housing, and which calculated the Township’s realistic development potential to be 11 units.

10. The 54 West Englewood Property was not included in the vacant land inventory and was not assigned a realistic development potential by the 2025 HEFSP.

11. On or about August 28, 2025, 54 West Englewood filed a timely “challenge” as contemplated by the amended Fair Housing Act, N.J.S.A. 52:27D-304.1 (the “Challenge”).

12. 54 West Englewood and the Township mediated 54 West Englewood’s challenge to the 2025 HEFSP before the Affordable Housing Dispute Resolution Program (the “Program”).

13. Ultimately, 54 West Englewood and the Township reached an agreement to settle 54 West Englewood’s Challenge that was reduced to writing and approved by the Township Council on or about January 15, 2026 (the “Settlement”).

14. The Settlement provided, among other things, that the Township would “provide a draft redevelopment plan to allow for a 53-unit inclusionary development on the [54 West Englewood Property” with a substantial set-aside of twenty percent (20%), which would provide 11 on-site units of affordable housing . . .”

15. In light of the Settlement and the Township’s settlement with other challengers, including the Fair Share Housing Center, the Program entered a Recommendation concerning the 2025 HEFSP on February 3, 2026 that recommended approval of a revised housing element and fair share plan that included, among other compliance mechanisms, the 54 West Englewood Property based upon the terms of the Settlement.

16. On or about March 4, 2026, the Superior Court of New Jersey, Law Division entered an Order accepting the Program’s February 3, 2026 recommendation and approving, among other things, the Settlement as fair and reasonable to the protected class.

17. The March 4, 2026 Order of the Superior Court, Law Division ordered the Township to revise the 2025 HEFSP to address, among other things, the Settlement, and adopt ordinances that implemented, among other things, the Settlement by March 16, 2026.

18. The Township's Planning Board adopted a new housing element and fair share plan that projected 11 affordable units would be developed on the 54 West Englewood Property.

19. The Township prepared a draft redevelopment plan to implement the Settlement on February

20. However, that draft redevelopment plan did not implement the Settlement because it did not create a realistic opportunity for the development of 53 units of inclusionary housing on the 54 West Englewood Property. Rather than create a realistic opportunity for the development of 53 total housing units inclusive of a 20% set-aside as described in the Settlement, the draft redevelopment plan imposed arbitrary bulk standards and requirements that collectively functioned to limit the number of units that 54 West Englewood can develop on the 54 West Englewood Property while, at the same time, requiring a minimum of 11 affordable units rather than the agreed-upon set-aside of 20% of the total number of units.

21. More specifically, the draft redevelopment plan imposed the following restrictions which, when considered in their aggregate, precluded the development of 53 units on the 54 West Englewood Property: (1) a impervious coverage limit of 80%; (2) setbacks of 20 feet to West Englewood Avenue, 15 feet to Mesereau Terrace, 15 feet to Graham Place, and 20 feet to the eastern property line; (3) building height of 3 stories, unless underground parking is demonstrated to be infeasible due to documented geotechnical, groundwater or structural constraints, in which case a fourth story would be permissible with a step-back for that fourth story; (4) minimum number of parking spaces as required by the Residential Site Improvement

Standards; and (5) minimum affordable housing set-aside of 11 units or 20% of the total number of units, whichever is greater.

22. On or about February 26, 2026, 54 West Englewood alerted the Township by letter that the draft redevelopment plan for the 54 West Englewood Property did not create a realistic opportunity for the development of a 53-unit inclusionary development because the bulk development regulations contained within the draft redevelopment plan would prevent 54 West Englewood from presenting a fully-conforming site plan application if it wished to pursue 53 units of housing on the 54 West Englewood Property. In particular, 54 West Englewood identified that the coverage, height and parking requirements would prevent it from developing a 53-unit inclusionary development without variances.

23. The Township ignored 54 West Englewood's concerns and introduced Ordinance 17-2026 on March 5, 2026.

24. Upon information and belief, the Township's Planning Board reviewed Ordinance 17-2026 at its regular meeting held on March 12, 2026.

25. Upon information and belief, the Planning Board determined that Ordinance 17-2026 was consistent with the amended Housing Element and Fair Share Plan, but made no findings concerning the consistency of Ordinance 17-2026 with the Township's Land Use Plan Element.

26. At a special meeting held on March 16, 2026, the Township adopted Ordinance 17-2026 on second reading, which adopted the un-revised redevelopment plan for the 54 West Englewood Property.

27. Upon information and belief, the Township Council held a hearing and adopted Ordinance 17-2026 on second reading on March 16, 2026.

28. Upon information and belief, the Township published a notice of adoption concerning Ordinance 17-2026 on its website on March 17, 2026.

29. 54 West Englewood has engaged a licensed design professional to prepare a conceptual plan based upon the limitations set forth in the draft redevelopment plan. That conceptual plan, based upon the bulk limitations set forth in the redevelopment plan without the need for variances, waivers, design exceptions or other relief, allows 54 West Englewood to construct, at most, 29 total units including 11 affordable units (and thus, only 18 market rate units), which is a far cry from the 53 units including a 20% set-aside (42 market rate units and 11 affordable units) as provided for in the Settlement.

30. Upon information and belief, a 29-unit project may not be financially feasible, thus rendering the purpose of Ordinance 17-2026, which was to create a realistic opportunity for the development of up to 11 affordable units on the 54 West Englewood Property, illusory.

COUNT ONE

Breach of Contract

31. Plaintiff 54 West Englewood repeats and realleges each and every allegation set forth in the Preamble to the Complaint as if fully set forth at length herein.

32. The Settlement between 54 West Englewood and the Township is a contract.

33. The Settlement requires the Township to provide a redevelopment plan “to allow for a 53 unit inclusionary development” on the 54 West Englewood Property and adopt that redevelopment plan by no later than March 15, 2026.

34. The redevelopment plan adopted by Ordinance 17-2026 does not permit 54 West Englewood to develop a 53-unit inclusionary development with a 20% set-aside on the 54 West Englewood Property without seeking variances, waivers, design exceptions or other relief

because the bulk restrictions, in their totality, prevent 54 West Englewood from providing, among other things, the number of parking spaces necessary to comply with the Residential Site Improvement Standards.

35. Instead, were 54 West Englewood to comply with the bulk limitations contained in Ordinance 17-2026, it would be permitted to develop a mere 29 total units on the 54 West Englewood Property, including a mandatory requirement of 11 units of affordable housing, which represents a set-aside of approximately 38% based upon the number of units that can be developed without variances, waivers, design exceptions or other relief.

36. 54 West Englewood cannot reap the benefit of the bargain it struck with the Township when it entered into the Settlement because it cannot seek land use approvals for the 54 West Englewood Property that do not require variances, waivers, design exceptions and other relief.

37. The Township's actions constitute a breach of its obligation to act in good faith to further the purposes of the Settlement.

38. In furtherance of the Settlement, 54 West Englewood has incurred significant expenses to prepare plans and pay its professionals to prepare plans to further its goal of developing the 54 West Englewood Property.

39. The breaches of the Settlement, including the decision of Defendants to selectively adopt a redevelopment plan that does not permit a 53-unit inclusionary development without variances, waivers, design exceptions or other relief has deprived 54 West Englewood of the benefit of the bargain it struck, damaged 54 West Englewood and caused 54 West Englewood to incur additional costs and expenses.

COUNT TWO

Action in Lieu of Prerogative Writs

40. Plaintiff 54 West Englewood repeats and realleges each and every allegation set forth in the Preamble and Count One of the Complaint as if set forth at length herein.

41. Ordinance 17-2026 does not create a realistic opportunity for the development of a 53-unit inclusionary development on the 54 West Englewood Property because it requires 54 West Englewood to secure numerous variances and other relief if 54 West Englewood were to pursue that level of development on the 54 West Englewood Property.

42. Based on the limitations contained in Ordinance 17-2026, the 54 West Englewood Property is not approvable for 53 units of inclusionary housing.

43. Ordinance 17-2026 imposes cost-generative features, including but not limited to an overly burdensome affordable housing set-aside, that renders the redevelopment of the 54 West Englewood Property infeasible.

44. Ordinance 17-2026 violates the Fair Housing Act.

45. Ordinance 17-2026 is not rationally related to its ostensible purpose, which is to create a realistic opportunity for the development of 53 units of inclusionary housing containing a 20% set-aside.

46. Ordinance 17-2026 is arbitrary, capricious and unreasonable.

WHEREAS, Plaintiff 54 West Englewood, LLC hereby demands judgment against Defendants Township of Teaneck and Mayor and Council of the Township of Teaneck as follows:

A. Determining that the Township of Teaneck breached the Settlement with 54 West Englewood, LLC;

- B. Determining that Ordinance 17-2026 adopted by the Township of Teaneck on March 16, 2026 is arbitrary, capricious and unreasonable.
- C. Awarding 54 West Englewood, LLC compensatory, consequential, exemplary and punitive damages, and an award of attorney's fees and other costs for the Township's breaches of the Settlement;
- D. Ordering the Mayor and Council of the Township of Teaneck to adopt a redevelopment plan that creates a realistic opportunity for the development of 53 total units of inclusionary housing, including a 20% set-aside on the 54 West Englewood Property;
- E. Awarding costs, attorneys fees, and such other relief as the Court deems equitable and just.

BEATTIE PADOVANO, LLC
Attorneys for 54 West Englewood, LLC

By: /s/ Daniel L. Steinhagen
Daniel L. Steinhagen, Esq.

Dated: April 30, 2026

CERTIFICATION PURSUANT TO N.J. COURT RULES 4:5-1 and 4:69-4

I, Daniel L. Steinhagen, Esq., hereby certify:

1. I am a member of the law firm of Beattie Padovano, LLC and am counsel for the Plaintiff herein.

2. To the best of my knowledge, the matter in controversy is the subject of the following actions:

In the Matter of the Township of Teaneck, Docket No. BER-L-776-25

With the exception of the above-referenced action, I am unaware of any other action that is pending in any other court, or of a pending arbitration proceeding, or is the subject of any other action or proceeding contemplated by the Plaintiff.

3. All confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

4. To the best of my knowledge, information and belief, there are no other parties who should be joined herein.

5. All necessary transcripts of the proceedings relevant to this action are ordered.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by us are willfully false, I am subject to punishment.

BEATTIE PADOVANO, LLC
Attorneys for 54 West Englewood, LLC

By: /s/ Daniel L. Steinhagen
Daniel L. Steinhagen, Esq.

Dated: April 30, 2026

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:5-1(c), Daniel L. Steinhagen, Esq. is hereby designated as trial counsel.

BEATTIE PADOVANO, LLC
Attorneys for 54 West Englewood, LLC

By: /s/ Daniel L. Steinhagen
Daniel L. Steinhagen, Esq.

Dated: April 30, 2026

Civil Case Information Statement

Case Details: BERGEN | Civil Part Docket# L-004496-26

Case Caption: 54 WEST ENGLEWOOD, L LC VS
TOWNSHIP OF TEANECK
Case Initiation Date: 04/30/2026
Attorney Name: DANIEL L STEINHAGEN
Firm Name: BEATTIE PADOVANO, LLC
Address: 200 MARKET ST STE 401
MONTVALE NJ 07645
Phone: 2015731810
Name of Party: PLAINTIFF : 54 West Englewood, LLC
Name of Defendant's Primary Insurance Company
(if known): Unknown

Case Type: ACTIONS IN LIEU OF PREROGATIVE WRITS
Document Type: Complaint
Jury Demand: NONE
Is this a professional malpractice case? NO
Related cases pending: YES
If yes, list docket numbers: BER-L-776-25
Do you anticipate adding any parties (arising out of same transaction or occurrence)? NO
Does this case involve claims related to COVID-19? NO
Are sexual abuse claims alleged by: 54 West Englewood, LLC? NO

THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

Do parties have a current, past, or recurrent relationship? NO

If yes, is that relationship:

Does the statute governing this case provide for payment of fees by the losing party? NO

Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:

Do you or your client need any disability accommodations? NO

If yes, please identify the requested accommodation:

Will an interpreter be needed? NO

If yes, for what language:

Please check off each applicable category: Putative Class Action? NO **Title 59?** NO **Consumer Fraud?** NO
Medical Debt Claim? NO

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with *Rule 1:38-7(b)*

04/30/2026
Dated

/s/ DANIEL L STEINHAGEN
Signed