

**ORDINANCE #2026-02**

**AN ORDINANCE OF THE BOROUGH OF LEBANON, HUNTERDON COUNTY, NEW JERSEY TO ESTABLISH REGULATIONS REGARDING THE CREATION, USE, OCCUPANCY, ADMINISTRATION AND PRESERVATION OF VERY LOW, LOW, AND MODERATE INCOME AFFORDABLE HOUSING UNITS IN THE BOROUGH OF LEBANON**

**WHEREAS**, as part of the continuing Mt. Laurel process, the Borough of Lebanon filed a Declaratory Judgment Action in the Superior Court of New Jersey, Law Division, Hunterdon County on January 26, 2025 under Docket #HNT-L-25-25, captioned “In the Matter of the Application of the Borough of Lebanon, Hunterdon County”; and

**WHEREAS**, the Fair Share Housing Center has filed a Resolution of Participation in the Affordable Housing Dispute Resolution Program in Lebanon Borough’s Declaratory Judgment Action; and

**WHEREAS**, the Court, after evaluation and monitoring of the cooperative actions taken by the parties, has entered a Consent Order Conditional Compliance Certification dated January 21, 2026; and

**WHEREAS**, in furtherance of such Order, the Borough of Lebanon is adopting and/or amending its Ordinances to advance compliance with the Consent Order, as well as adopting an amended Fourth Round Housing Element and Fair Share Plan.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Borough of Lebanon, Hunterdon County, New Jersey, that regulations regarding the creation, use, occupancy, administration, and preservation of very low, low and moderate income affordable housing units in the Borough of Lebanon consistent with the Mr. Laurel doctrine are hereby adopted as follows:

**SECTION 1. Regulations.**

**A. Purpose, Applicability & Interpretation.**

1. This section of the Code sets forth regulations regarding the creation, use, occupancy, administration and preservation of very low-, low- and moderate-income affordable housing units in Lebanon Borough consistent with the Mount Laurel doctrine; the New Jersey Fair Housing Act, as amended by P.L. 2024, c.2, N.J.S.A. 52:27D-301 et seq., (hereinafter the “Act,” “FHA” or FHA-2”); the regulations promulgated pursuant thereto by the New Jersey Department of Community

Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., (“Affordable Housing Rules”), and the Housing and Mortgage Finance Agency’s (HMFA) Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1 et seq.; and the ; and the municipality’s Fourth Round Housing Element and Fair Share Plan (“HEFSP”).

2. This Ordinance is intended to ensure that very low-, low- and moderate-income units (“affordable units”) are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units in accordance with applicable statutory and regulatory requirements. This provisions of this Code shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit-financed developments shall adhere to the provisions set forth below in item 5.c. below.

3. The Lebanon Borough Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.

4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of the Mt. Laurel doctrine, the FHA N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, et seq., as may be amended and supplemented.

## 5. Applicability

a. Except where specifically exempted hereinafter, the provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the municipality’s most recently adopted HEFSP.

b. Except where specifically exempted hereinafter, this Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, as well as any unanticipated future development or redevelopment projects that will include, are proposed to provide or required by the municipality to provide very low-, low- and moderate-income housing units.

c. Projects receiving federal Low Income Housing Tax Credit financing shall be required to follow the UHAC unless exempt pursuant to N.J.A.C. 5:80-26.1, including but not limited to developments with anticipated funding from the Federal Low-Income Housing Tax Credit (LIHTC) pursuant to Section 42 of the Internal Revenue Code. Developers, landlords and program

sponsors shall be required to comply with administration and affirmative marketing of the affordable units within such developments. .

d. A waiver from any provision of this Code may be granted by the County-level Mount Laurel Judge, the Program or any trial court if it would advance the interests of low-and moderate-income households or if strict compliance would cause an unreasonable result.

6. Interpretation

a. In the event of any ambiguity, the provisions of this Code shall be interpreted and liberally construed in favor of the Municipality.

b. Any subject matter that is not otherwise addressed hereinafter, or is not otherwise covered by the Act, the Affordable Housing Rules or the UHAC, the Municipality may rely upon the provisions of COAH's prior round regulations at N.J.A.C. 5:93 and 5:97 that were deemed valid by binding Court precedent that are most favorable to the municipality.

## NOTICE

**TAKE NOTICE that the above ordinance was introduced at a regular meeting of the Borough Council of the Borough of Lebanon on February 18, 2026, and will be considered for final passage after public hearing at a regular meeting of the Borough Council of the Borough of Lebanon to be held on March 11, 2026 at 7:00 p.m. in the Municipal Building, located at 6 High Street, Lebanon, New Jersey THE ABOVE IS A SUMMARY OF THE ORDINANCE. THE COMPLETE ORDINANCE IS AVAILABLE IN THE CLERK'S OFFICE.**

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Karen M. Romano, Borough Administrator/Clerk