

Tuesday, January 21, 2025

RESOLUTION NO. 49-25

Offered by Councilor MOODY Seconded by Councilor

## RESOLUTION COMMITTING TO DCA'S FOURTH ROUND AFFORDABLE HOUSING PRESENT NEED AND PROSPECTIVE NEED NUMBERS AS MODIFIED

**WHEREAS**, the Fair Housing Act (the "**FHA**"), codified in NJSA 52:27D-301 *et seq.*, has the force of law, and

WHEREAS, on March 20, 2024, FHA amendments to the FHA (the "2024 Amendments") were signed into law, and

## WHEREAS:

- (a) the 2024 Amendments required the Department of Community Affairs (the "**DCA**") to produce on or before October 20, 2024, initial, non-binding estimates of fair share obligations for each municipality, and
- (b) the 2024 Amendments (specifically, L. 2024, c. 2) established the Affordable Housing Dispute Resolution Program (the "**Program**") within the judiciary for the purpose of resolving disputes associated with the FHA, and

**WHEREAS**, the governing body of the Borough of Glen Ridge ("**Glen Ridge**") intends to do each and all of the following:

- (a) meet the mandates of the FHA and its 2024 Amendments in order to have a fully enforceable zoning ordinance which avoids the ad hoc nature of builder's remedy lawsuits and
- (b) participate in the Program, and

**WHEREAS**, on October 18, 2024, the DCA issued a report (the "**DCA Report**") which was based upon the DCA's interpretation of the standards set forth in the 2024 Amendments and which is titled "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background", and

**WHEREAS**, the DCA Report contains the DCA's calculations of its non-binding estimates of Present Need and Prospective Need for each municipality in an Appendix (the "**Appendix**") at the end of the report, and

**WHEREAS**, the DCA Report calculates, and the Appendix lists, Glen Ridge's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of zero (0) units and a Prospective Need or New Construction Obligation of 178 units; and

**WHEREAS**, the 2024 Amendments provide that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the 2024 Amendments would support lower calculations of Round 4 affordable housing obligations; and

**WHEREAS,** pursuant to N.J.S.A. 52:27D-304.3, a municipality's average allocation factor is comprised of the equalized nonresidential factor, income capacity factor, and land capacity factor, all of which are averaged to yield the municipality's average allocation factor, and

**WHEREAS**, the 2024 Amendments further provide that "All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions" (N.J.S.A 52:27D-311(m)); and

**WHEREAS**, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

WHEREAS, the DCA has released a Geographic Information Systems spatial data representation of the Land Capacity Analysis for P.L. 2024, c.2, containing the Vacant and Developable land information that serves as the basis for calculating the land capacity factor; and

**WHEREAS,** Glen Ridge has reviewed the lands identified by the DCA for the land capacity factor with respect to the MOD-IV Property Tax List data, construction permit data, land use board approvals, configuration, and accessibility to ascertain whether these identified developable lands may accommodate development; and

**WHEREAS**, as a result of such review and as more fully set forth below, Glen Ridge has concluded that a small modification of the DCA Prospective Need number is appropriate, specifically a number of 163 instead of 178; and

**WHEREAS**, the DCA Report used the 2018-2022 American Community Survey Data published by the U.S. Census Bureau to calculate the Income Capacity Factor and the 2019-2023 American Community Survey Data was released by the U.S. Census Bureau on December 12, 2024; and

WHEREAS, Glen Ridge and its affordable housing planner Topology have updated the Income Capacity Factor with the newly available dataset from the U.S. Census Bureau and calculated the updated Income Capacity Factor for Glen Ridge and Region 2, consistent with the methodology set forth in N.J.S.A. 52:27D-304.3; and

**WHEREAS**, Glen Ridge and its affordable housing planner Topology reviewed Glen Ridge's 1999 and 2023 Commercial and Industrial tax assessment data in detail and identified a change in assessment status for the properties containing Mountainside Hospital in 2014 that required additional review as component inputs of the Nonresidential Valuation Factor methodology set forth in N.J.S.A. 52:27D-304.3; and

**WHEREAS**, based on the foregoing, Glen Ridge relies on the DCA calculations of Glen Ridge's fair share obligations, as modified herein, to account for Glen Ridge's review of the lands identified by the DCA for each of the following:

- (a) the land capacity factor with respect to the MOD-IV Property Tax List data, construction permit data, land use board approvals, configuration, and accessibility to ascertain whether these identified developable lands may accommodate development, and as further set forth in detail and explained in the January 17, 2025, memo (the "Topology Memo") prepared by Glen Ridge's affordable housing planner Topology, a copy of such memo being attached hereto as "Attachment One",
- (b) the income capacity factor with updated Census data based upon the latest release, and
- (c) the nonresidential valuation factor based on local information from the municipal tax assessor; and

in so doing, Glen Ridge seeks to commit to provide its fair share of zero (0) units present need and 163 units 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 FHA, as amended by the 2024 Amendments and as may be amended from time to time hereafter; and

WHEREAS, the Administrative Director of the Administrative Office of the Courts (the "AOC") has established procedures for the Program's operation as set forth in Administrative Directive #14-24 dated December 13, 2024, which requires any municipality which wishes to participate in the Program to file a Declaratory Judgment action in the County in which the municipality is located and attach a copy of a resolution committing to the municipality's Present Need and Prospective Need numbers as calculated by the municipality after considering the DCA's non-binding estimates, and

**WHEREAS**, in accordance with AOC Directive #14-24, the Mayor and Council find that, because Glen Ridge seeks to avail itself of the Program and is a municipality seeking a certification of compliance with the FHA, it is in Glen Ridge's best interests to do each of the following:

- (a) file the within resolution with the DCA within 48 hours of its adoption and no later than January 31, 2025, and
- (b) file an action in the form of a declaratory judgment complaint within 48 hours of the adoption of the within resolution and no later than February 3, 2025, and

**WHEREAS**, Glen Ridge recognizes that the resolution of the Present Need and Prospective Need numbers is only the first step on a path to constitutional compliance with the Mount Laurel doctrine and that developing and adopting a Housing Element and Fair Share Plan (which may include credits, adjustments and compliance mechanisms as allowed by the 2024 amendments), followed by the adoption of implementing ordinance, is required and is a process Glen Ridge will embrace, as it continues its compliance with the Mount Laurel doctrine, and

WHEREAS, Glen Ridge wishes to reserve its rights to amend its position if the Legislature changes the statute or the courts by judicial decisions alter the statute or the meaning of the statute, and

**WHEREAS**, Glen Ridge reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

**WHEREAS**, in the event that a third party challenges the calculations provided for in this Resolution, Glen Ridge reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Prospective Need Obligation should be lower than described herein:

**NOW, THEREFORE, BE IT RESOLVED** on this 21st day of January, 2025, by the Mayor and Council of Borough of Glen Ridge, County of Essex, State of New Jersey as follows:

- 1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
- 2. Glen Ridge hereby commits to the DCA's Round 4 Present Need Obligation of zero (0) units and a modification of the DCA's Round 4 Prospective Need Obligation of 178 units to 163 units, as explained above and in the Topology Memo, a copy of which is attached hereto as Attachment One, and subject to all reservations of rights set forth above.
- 3. Glen Ridge hereby directs its Borough Attorney to file a declaratory judgment complaint in Essex County within 48 hours after adoption of the within resolution and attaching as exhibits thereto both (i) this resolution and (ii) the Topology Memo.
- 4. Glen Ridge authorizes its Borough Attorney to submit and/or file this resolution and the attached Topology Memo with the Program or any other such entity as may be determined to be appropriate.
- 5. In this regard, Glen Ridge recognizes the long involvement of the Fair Share Housing Center (the "FSHC") in the matters of exclusionary zoning and affordable housing in New Jersey and will forward a copy of this resolution (with Attachment One) to the FSHC.
- 6. This resolution shall take effect immediately, according to law.

## **CERTIFICATION**

I, Tara Ventola, Clerk of Borough of Glen Ridge, County of Essex, State of New Jersey, do hereby certify that the foregoing is a true copy of a resolution adopted by Mayor and Council at a meeting held on January 21, 2025.
Tara Ventola, Clerk