

COUNCIL/ MAYOR	INTRODUCED	SECONDED	YES	NO	ABSTAIN	ABSENT
FITZHENRY			X			
CAVADAS			X			
KARCIC		X	X			
SHEEDY			X			
DEL RUSSO	X		X			
BOCCHINO			X			
PRONTI						
ON CONSENT AGENDA ___YES ___X___NO						

R-58-25

RESO RE: COMMITTING TO DCA’S FOURTH ROUND AFFORDABLE HOUSING PRESENT NEED AND PROSPECTIVE NEED NUMBERS AS MODIFIED

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter “Amended FHA”); and

WHEREAS, the Amended FHA requires the Department of Community Affairs (“DCA”) to produce non-binding estimates of fair share obligations on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 (“DCA Report”) wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculates the Borough of North Arlington’s Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 36 units and a Prospective Need or New Construction Obligation of 227 units; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA 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 and shall be averaged to yield the municipality’s average allocation factor, and

WHEREAS, the Amended FHA further provides that “[a]ll 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, the Borough of North Arlington 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, the New Jersey Supreme Court's Mount Laurel decisions have stated that any affordable housing obligation imposed upon a municipality must be "reasonable" and North Arlington's rent control ordinance has ensured that it maintains a housing stock with hundreds of low/affordable rent apartment units that naturally comply with the affordable housing obligation that the New Jersey Supreme Court stated is constitutionally mandated in the *Mount Laurel* decisions; and

WHEREAS, based on its review, the Borough of North Arlington believes that it has no affordable housing requirement as its present affordable housing stock meets and exceeds any and all constitutionally imposed affordable housing obligation and any further imposition of an affordable housing obligation is therefore unreasonable. However, in the event the methodology contained within the Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) is found to be binding on the Borough of North Arlington, the Borough of North Arlington will rely on the DCA calculations of North Arlington's fair share obligations as modified herein to account for North Arlington's review of 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 as further set forth in detail and explained in the attached memo prepared by North Arlington's affordable housing planner. In the event it is forced to utilize the methodology promulgated by the Amendment to the Fair Housing Act, North Arlington will seek to commit to provide its fair share of 36 units present need and 192 units prospective need, subject to North Arlington's challenge as to the reasonableness of any such housing obligation and 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 Amended FHA; and

WHEREAS, the Borough of North Arlington reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, the Borough of North Arlington also reserves the right to challenge the number of affordable housing units imposed on it and the methodology used to calculate said obligation based on the unreasonableness of same and to adjust its position in the event of any rulings in the *Montvale* case (MER-L-1778-24), or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

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

WHEREAS, in light of the above, the Mayor and Council of the Borough of North Arlington finds that it is in the best interest of North Arlington to commit to the modified present need and prospective need Fourth Round affordable housing fair share numbers set forth herein, subject to the reservations set forth herein; and

WHEREAS, in accordance with AOC Directive #14-24 dated December 13, 2024, the Borough of North Arlington finds that, as a municipality seeking a certification of compliance with the FHA, it is in the best interests of the Borough of North to direct the filing of an action in the form of a declaratory judgment complaint within 48 hours after adoption of the within resolution of fair share obligations, or by February 3, 2025, whichever is sooner;

NOW, THEREFORE, BE IT RESOLVED on this 27th day of January, 2025 by the Borough of North Arlington, County of Bergen, State of New Jersey as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.

2. The Borough of North Arlington hereby states that it has no affordable housing requirement as its present housing stock meets and exceeds any and all constitutionally imposed affordable housing obligation and any further imposition of an affordable housing obligation is therefore unreasonable. In the event the methodology contained within the Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) is found to be binding on the Borough of North Arlington, it commits to the DCA's Round 4 Present Need Obligation of 36 and a modification of the DCA's Round 4 Prospective Need Obligation of 227 units to 192 units, as explained above and in the attached memo from North Arlington's affordable housing planner, and subject to all reservations of all rights, without limitation, including those set forth above as well as the following:

- A. The right to an adjustment to its present need, also referred to as its "rehab" obligations based upon COAH standards that authorize a windshield survey to support an adjustment;
- B. The right to a vacant land adjustment, durational adjustments, and all other applicable adjustments permitted in accordance with COAH regulations;
- C. The right to comply with the NJIGLA Legislation if enacted, including the right to adjust its fair share obligations;
- D. The right to adjust its fair share obligation in the event of any future legislation that adjust the fair share obligations that the DCA reported on October 18, 2024;
- E. The right to comply with any future Legislation that changes its obligations under current law.
- F. The right to adjust its fair share obligations based upon any ruling in the Montvale Litigation or any other litigation, including, but not limited, to a challenge to the reasonableness of the fair share obligation imposed;


G. The right to adjust its fair share obligations in the event of a third party challenge to the fair share obligations and the Borough of North Arlington's response thereto.

3. The Borough of North Arlington hereby directs its attorneys to file a declaratory judgment complaint in Bergen County within 48 hours after adoption of the within resolution and attaching this resolution as an exhibit with the attached memo.

4. The Borough of North Arlington authorizes its attorneys to submit and/or file the within resolution with attached memo with the Program or any other such entity as may be determined to be appropriate.

5. This resolution shall take effect immediately, according to law.

BE IT FURTHER RESOLVED, that notice of this action to be published according to law.

APPROVED: 
Daniel H. Pronti, Mayor

ATTEST: 
Kathleen Moore, Borough Clerk

DATED: January 27, 2025

BOROUGH OF NORTH ARLINGTON
AFFORDABLE HOUSING REPORT



JANUARY 2025



PREPARED BY NEGLIA GROUP

INTRODUCTION

On March 20, 2024, Governor Murphy signed P.L.2024, c.2 into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the State's Fair Housing Act.

This law required the Department of Community Affairs (DCA) to perform a calculation of regional need and municipal present and prospective need obligations in accordance with the formulas established in the law. The six (6) Housing Regions were derived from the Legislation and used various factors to determine the present and prospective need for each municipality. The methodology will be discussed in more detail later in this report.

The Borough of North Arlington is located at the southern border of Bergen County, one of the four Counties that make up Housing Region 1. Housing Region 1 is comprised of Bergen, Hudson, Passaic, and Sussex Counties and is located in the northern most part of the State. Housing Region 1 has the largest combined population of the six (6) Housing Regions and the largest Present Need and Prospective Need in the State.

DCA provided the calculations and obligations for each municipality's present and prospective need in a non-binding document based strictly on data analysis. This report applies the methodology used by DCA and includes a narrower level of detail that may not have been available to the DCA during the initial calculations. Since there is no standardized way for municipalities to 1) report projects associated with the Third Round Housing Element 2) zoning board of adjustment and planning board decisions 3) "boots on the ground" specific information, municipalities are given the opportunity to provide this information when applying the DCA's methodology.

The DCA was directed to create a methodology that would be replicated throughout the state across many different municipalities. Using the mandated and limited methodology and the application of municipal specific information, we believe there are certain calculations that shall be amended to provide a more accurate obligation for the Borough of North Arlington.

DCA METHODOLOGY

Present Need is determined based on the number of existing housing units occupied by low- and moderate- income (LMI) households that are substandard and deficient. The Present Need for third round was determined by three factors: dwelling units lacking complete kitchen facilities, dwelling units lacking complete plumbing facilities, and overcrowded units. While these three metrics have data that tracks them independently, there is no measure accounting for overlap or for their impact to LMI households exclusively. This is the measure that Present Need seeks to address. It must be noted that DCA strictly used census data estimates and that number is not based on actual units that have been inspected for the criteria.

We shall further address this obligation and strategy in the Fourth Round Housing Element. Confining our analysis to the limited factors promised by the DCA, it is determined that the present need obligation is as follows:

Present Need: 36

Prospective Need: The DCA determined the prospective need based on three (3) equalized factors averaged into an average allocation factor for each municipality. The average allocation factor for each municipality was then multiplied by the regional prospective need to determine each municipality's prospective need obligation. The three (3) factors used to determine the average allocation were Equalized Nonresidential Valuation (33.33%), Income Capacity Factor (33.33%), and the Land Capacity Factor (33.33%).

FACTOR 1

The Equalized Nonresidential Valuation Factor is determined by the change in commercial and industrial property valuations from the beginning of the last round and the start of the current round. Therefore, the years being compared are 1999 and 2023, with data from the NJ Division of Local Government Services. For each year being compared, the commercial and industrial valuations were added together and then adjusted by that year's State Equalization Table Average Ratios. These equalized nonresidential valuations were then used to calculate the change over the 24 years. Each municipality's values were aggregated to the Housing Region level minus the valuation changes in Qualified Urban Aid municipalities. The Equalized Nonresidential Valuation Factor is the resulting percentage from dividing the municipality's 24-year change in equalized nonresidential valuations by the adjusted aggregated Housing Region total. Municipalities that experienced increased commercial and industrial valuation received higher obligations according to DCA's method. **For the Borough of North Arlington, the Equalized Nonresidential Valuation Factor is calculated to be 1.37%.**

$$1.37\% = \frac{\frac{(237,124,300 + 236,467,400)}{0.8607} - \frac{(69,068,700 + 26,705,200)}{0.925}}{32,549,128,394}$$

Where:

- 1.37%** = Equalized Nonresidential Valuation Factor for North Arlington
- 0.8607** = 2023 State Equalization Table Average Ratio for North Arlington
- 237,124,300** = 2023 Commercial Valuation for North Arlington
- 236,467,400** = 2023 Industrial Valuation for North Arlington
- 0.925** = 1999 State Equalization Table Average Ratio for North Arlington
- 69,068,700** = 1999 Commercial Valuation for North Arlington

26,705,200 = 1999 Industrial Valuation for North Arlington

32,549,128,394 = 1999 – 2023 Change in Equalized Nonresidential Valuation
minus Qualified Urban Aid municipalities for Housing Region 1

FACTOR 2

The Income Capacity Factor measures the difference between a municipality’s income level and that of the municipality with the lowest-income level in its Housing Region. It is an average of two percentages. The first percentage is the amount that the municipality contributes to the regional difference of income compared to the regional income floor. The second percentage is the municipality’s contribution to the regional difference of income compared to the regional income floor, weighted by the number of households within the municipality. Qualified Urban Aid municipalities were excluded from these calculations. For North Arlington, located in Housing Region 1, the lowest municipal median household income is Paterson City. Paterson City’s median household income is \$52,092. Housing Region 1’s median household income floor is calculated by subtracting \$100 from the figure of \$52,092, resulting in \$51,992. This is the value by which North Arlington’s median household income will be compared. **For the Borough of North Arlington, the Income Capacity is calculated to be 0.71%.**

$$0.71\% = \frac{\frac{6,634 * (96,869 - 51,992)}{33,410,794,107} + \frac{96,869 - 51,992}{8,355,312}}{2}$$

Where:

0.71% = Income Capacity Factor for North Arlington

6,634 = Number of Households in North Arlington

96,869 = Median Household Income in North Arlington

51,992 = Median Household Income Floor for Housing Region 1

33,410,794,107 = Total Median Household Income Differences times Households for Housing Region 1

8,355,312 = Median Household Income Differences for Housing Region 1

FACTOR 3

The Land Capacity Factor is computed using the 2024 MOD-IV Property Tax list from the Division of Taxation in the Department of Community Affairs. All parcels classified as “vacant” were included in the initial list. Next, DCA used the land use/land cover (LULC) data courtesy of the New Jersey Department of Environmental Protection and construction permit data from DCA. Using this data in ArcGIS, the Land

Capacity Factor is calculated by dividing the total developable land for each municipality by the total for the Housing Region excluding that area from the Qualified Urban Aid municipalities. For the Borough of North Arlington, the Land Capacity Factor is calculated to be 0.36%. A summary of the calculation is as follows:

$$0.36\% = \frac{7.179}{1,980}$$

Where:

0.36% = Land Capacity Factor for North Arlington

7.179= Land Use/Land Cover Methodology Land Area for North Arlington

5,358 = Total Developable Land for Housing Region 1

AMENDMENT: The DCA's methodology was strictly a data analysis that was limited by the information DCA was able to use to determine the land capacity of each municipality. Since there are no standardized methods for municipalities to report court settlements from the third round or decisions made by the zoning board of adjustment and planning board, properties included in the land capacity may not actually be developable or may have already been allocated for development. Upon reviewing the DCA's Land Capacity layers on GIS, we have determined that none of the sites are developable. The majority of land identified within the land capacity layer is located within the New Jersey Meadowlands District. The Borough does not control the zoning and development within the District. Therefore, the Borough does not have the ability to designate the available area for affordable housing. The lone site identified outside of the NJMD is part of a right-of-way and cannot be developed. Using the additional data from the Borough's records, we believe the following calculations should be used to determine the Land Capacity Factor:

$$0.00\% = \frac{0.000}{1,980}$$

Where:

0.00% = Land Capacity Factor for North Arlington

0.000= Land Use/Land Cover Methodology Land Area for North Arlington

5,358 = Total Developable Land for Housing Region 1

The Average Allocation Factor is calculated by averaging three metrics: Equalized Nonresidential Valuation Factor, Land Capacity Factor, and the Income Capacity Factor. For Qualified Urban Aid municipalities, this average was zero as they have no obligation. For Municipalities with an average greater than zero, the Average Allocation Factor was multiplied by The Prospective Need for their respective Housing Region to

determine the Prospective Need of the municipality. For the Borough of North Arlington, **the Average Allocation Factor is calculated to be 0.82%.**

$$0.82\% = \frac{1.37\% + 0.36\% + 0.71\%}{3}$$

Where:

0.82% = Average Allocation Factor for North Arlington

1.37% = Equalized Nonresidential Valuation Factor for North Arlington

0.36% = Land Capacity Factor for North Arlington

0.71% = Income Capacity Factor for North Arlington

Using the mandated and extremely limited data from the DCA, **The Prospective Need** for the Borough of North Arlington has been calculated to be 227 units. This calculation multiplied the Prospective Need of Housing Region 1 by the Average Allocation Factor for the Borough of North Arlington. A summary of the calculation is as follows:

$$227 = 0.82\% * 27,743$$

Where:

227 = The Prospective Need of Affordable Housing in North Arlington

0.82% = Average Allocation Factor for North Arlington

27,743 = The Prospective Need for Housing Region 1

AMENDMENT: Since the land capacity factor needs to be amended based on substantial and significant additional information provided by the Borough, the Prospective Need calculation would also need to be revised. A summary of the calculation is as follows:

$$0.69\% = \frac{1.37\% + 0.00\% + 0.71\%}{3}$$

Where:

0.69% = Average Allocation Factor for North Arlington

1.37% = Equalized Nonresidential Valuation Factor for North Arlington

0.00% = Land Capacity Factor for North Arlington

0.71% = Income Capacity Factor for North Arlington

The Prospective Need for the Borough of North Arlington has been calculated to be 227 units. This calculation multiplied the Prospective Need of Housing Region 1 by the Average Allocation Factor for the Borough of North Arlington. A summary of the calculation is as follows:

$$192 = 0.69\% * 27,743$$

Where:

192 = The Prospective Need of Affordable Housing in North Arlington

0.69% = Average Allocation Factor for North Arlington

27,743 = The Prospective Need for Housing Region 1

The Regional Prospective Need for the six Housing Regions was determined based on the rate of change in population over the course of ten (10) years. With population data from the 2010 and 2020 Decennial Census, the change is calculated and then divided by 2.5 (an assumed factor of Low- and Moderate-Income household growth). This calculation was done for each Housing Region to determine the Prospective Need. For Housing Region 1, the Regional Prospective Need is calculated to be 27,743. A summary of the calculation is as follows.

$$27,743 = \frac{(873,062 - 803,704)}{2.5}$$

Where:

27,743 = Regional Prospective Need for Housing Region 1

873,062 = 2020 Households – Decennial Census for Housing Region 1

803,704 = 2010 Households – Decennial Census for Housing Region 1

2.5 = Factor for Assumed Low- and Moderate- Income Household Growth

EXISTING AFFORDABILITY

North Arlington has existing infrastructure and a significant stock of existing affordable household units to ensure affordability within the Borough, not highlighted in the above metrics. The Borough's commitment to affordability is codified in their ordinances and is reflected in data collected by the US Census Bureau.

North Arlington has a robust ordinance defining and regulating rent control within the Borough. These ordinances are assiduously reviewed and offer residents the ability for legal recourse. Chapter §285 of the North Arlington code outlines the boundaries for rent increases for multifamily rental properties within the Borough. This Chapter provides the framework for establishing rents and sets specific parameters for

which rent can be raised and by how much. Chapter §285-10 sets the base rent increase at the termination of a lease at no more than 4-5% of the current rent, depending on the rental price and conditions. §285-10F addresses qualified senior tenants and caps their rental increases at 2% per twelve-month period. North Arlington provides a through breakdown of the avenues in which rent can be increased, for both renters and landlords, whereas the State of New Jersey has no rent increase cap. In addition to legislative measures to minimize the impact of rising rent on the residents of North Arlington, the market trends in the Borough favor intrinsic affordability.

According to the 2019-2023 American Community Survey, the Borough of North Arlington had a total of 6,646 households. Of those 6,646 households, 70.3% were occupied by families and 24.5% were occupied by someone living alone. The average household size was 2.46 and the average family size was slightly larger at 2.96 people. Additionally, the division of housing tenure was 46.4% owner-occupied housing units compared to 53.6% renter-occupied housing units. Vacancy for the Borough's 6,749 housing units is 3.3%, whereas the vacancy rate for Bergen County is 4.6%.

North Arlington, in comparison to the region, has several metrics in which it is already affordable. The Borough, compared to Bergen County on a whole, is more affordable for both home ownership and rent. The median price of a house in North Arlington is \$128,500 or 21.7% less than that of Bergen County. Additionally, the median rent is \$157 or 8.4% per month less than the median for Bergen County. Borough residents also tend to pay less rent as a percentage of their income, on average.

TABLE 1

OWNER-OCCUPIED HOUSING UNITS BY VALUE

Value	North Arlington Borough		Bergen County	
	Number	Percent	Number	Percent
Less than \$50,000	139	4.5%	4,241	1.8%
\$50,000 - \$99,999	0	0.0%	2,583	1.1%
\$100,000 - \$149,999	0	0.0%	2,366	1.0%
\$150,000 - \$199,999	27	0.9%	2,680	1.2%
\$200,000 - \$299,999	193	6.3%	11,285	4.9%
\$300,000 - \$499,999	1,550	50.3%	62,212	26.9%
\$500,000 - \$999,999	1,173	38.1%	115,000	49.8%
\$1,000,000 or more	0	0.0%	30,556	13.2%
Total	3,082	100.0%	230,923	100.0%
Median Value	\$464,700		\$593,200	

Source: US Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

TABLE 2

GROSS RENT PER UNIT

Gross Rent	North Arlington Borough		Bergen County	
	Number	Percent	Number	Percent

Less than \$500	5	0.1%	3,870	3.3%
\$500 to \$999	108	3.1%	5,086	4.3%
\$1,000 to \$1,499	700	20.2%	21,678	18.3%
\$1,500 to \$1,999	2,243	64.6%	39,395	33.3%
\$2,000 to \$2,499	313	9.0%	21,731	18.3%
\$2,500 to \$2,999	32	0.9%	11,103	9.4%
\$3,000 or more	69	2.0%	15,614	13.2%
No rent paid	94	-	3,907	-
Total	3,470	100%	118,477	100%
Median Rent	\$1,706		\$1,863	

Source: US Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

TABLE 3

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)

GRAPI	North Arlington Borough		Bergen County	
	Number	Percent	Number	Percent
Less than 15.0 percent	702	20.2%	16,425	14.1%
15.0 to 19.9 percent	528	15.2%	14,620	12.5%
20.0 to 24.9 percent	616	17.8%	15,154	13.0%
25.0 to 29.9 percent	354	10.2%	12,525	10.7%
30.0 to 34.9 percent	336	9.7%	9,609	8.2%
35.0 percent or more	934	26.9%	48,326	41.4%
Not computed	94	-	5,725	-
Total	3,470	100%	116,659	100%

Source: US Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

TABLE 4

HOUSEHOLD INCOMES

Income	North Arlington Borough		Bergen County	
	Number	Percent	Number	Percent
Less than \$5,000	87	1.3%	7,587	2.1%
\$5,000 to \$9,999	18	0.3%	5,210	1.5%
\$10,000 to \$14,999	71	1.1%	8,070	2.3%
\$15,000 to \$19,999	71	1.1%	9,004	2.5%
\$20,000 to \$24,999	110	1.7%	5,531	1.6%
\$25,000 to \$34,999	356	5.4%	14,130	4.0%
\$35,000 to \$49,999	470	7.1%	23,269	6.5%
\$50,000 to \$74,999	990	14.9%	40,490	11.4%
\$75,000 to \$99,999	1,015	15.3%	39,024	10.9%
\$100,000 to \$149,999	1,618	24.3%	64,723	18.2%

\$150,000 or more	1,840	27.7%	139,400	39.1%
Total	6,646	100.0%	356,438	100.0%
Median Income	\$101,493		\$116,709	

Source: US Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

CONCLUSION

The Department of Community Affairs released non-binding obligations for affordable housing for each municipality in the state. By releasing non-binding numbers, the DCA offered municipalities the opportunity to provide additional information that may result in amending the numbers calculated by the DCA. Based on the information provided in the Department of Community Affairs Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background, the Borough of North Arlington Housing Element and Fair Share Plan, Zoning Board of Adjustment Decisions, and Planning Board Decisions, we believe the calculations must be amended to identify the inconsistencies found within the datasets. Specifically, the Land Capacity Factor which included property that is not capable of being developed or is already being developed.

Solely based on the mandated and limited data from the DCA, the Borough of North Arlington's present need obligation would be **36 units**, the same obligation provided by DCA. However, the Borough's prospective need must be amended to be **192 units** in lieu of the 227 units provided by the DCA, as this calculation correctly identifies the land capacity factor within the Borough.

However, we believe additional factors must be considered when evaluating the Borough's prospective need. The Borough of North Arlington has a long history of ordinances related to creating an affordable place to live and litigation from the Third-Round further supports that the Borough is intrinsically affordable which has resulted historically in a zero prospective need.

While we understand in determining a general calculation for over 500 municipalities, there are bound to be outliers. In this case, we believe North Arlington is one of those outliers and more must be considered when determining the accurate prospective need. The Borough is entitled to a vacant land adjustment and realistic development potential in Round 4. In addition, the Borough also believes the general affordability factor that was agreed upon by the courts stemming from litigation in Round 3 will be included in the Housing Element and Fair Share Plan that will be submitted by the June 30, 2025, deadline.