

BOROUGH OF NORWOOD

RESOLUTION 2025-50

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

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, pursuant to the Amended FHA at N.J.S.A. 52:27D-304.1(f)(1), a municipality is required to adopt a binding resolution containing a "determination of present and prospective fair share obligation" and submit to the jurisdiction of the Affordable Housing Dispute Resolution Program, in order to avoid the loss of immunity from exclusionary zoning litigation (formerly referred to as Builder's Remedy lawsuits) immediately thereafter; 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 that the Borough of Norwood ("Norwood") has a Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 15 units and a Prospective Need or New Construction Obligation of 162 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, Norwood 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, based on the foregoing, Norwood relies on the DCA calculations of Norwood's fair share obligations as modified herein to account for Norwood'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 Norwood's affordable housing planner, and Norwood seeks to commit to provide its fair share of 15 units present need and 130 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 Amended FHA; and

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

WHEREAS, Norwood is a named plaintiff in that certain litigation captioned as Borough of Montvale v. State of New Jersey, Superior Court of New Jersey, Docket No. MER-L-1778-24 ("Litigation"), which among other things asserts constitutional and legal challenges to numerous provisions of the Amended FHA; and

WHEREAS, the actions contained in this Resolution are taken under protest and are intended to comply with the Amended FHA while Norwood continues to dispute its validity, such that Norwood does not waive any legal rights or claims that it possesses relating to the Amended FHA as set forth in the Lawsuit by virtue of the adoption of the instant Resolution and Norwood further reserves the right to alter its position contained in this Resolution based upon any rulings in the Litigation or in any other similar proceedings by a court of competent jurisdiction; and

WHEREAS, Norwood also reserves the right 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, Norwood 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; and

WHEREAS, in light of the above, Norwood’s Mayor and Council finds that it is in the best interest of Norwood 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 Governing Body finds that, as a municipality seeking a certification of compliance with the FHA, it is in the best interests of Norwood 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;

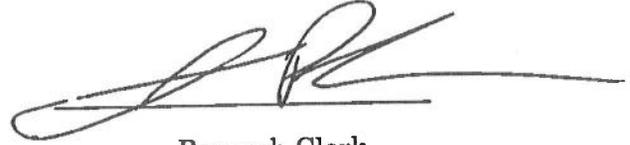
NOW, THEREFORE, BE IT RESOLVED on this 22nd day of January, 2025 by the Mayor and Council of the Borough of Norwood, County of Bergen, State of New Jersey as follows:

1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution;
2. Norwood hereby commits to the DCA’s Round 4 Present Need Obligation of 15 units, with no modification of the DCA’s Round 4 Present Need Obligation of 15 units, and to a Round 4 Prospective Need Obligation of 130 units, being a modification of the DCA’s Round 4 Prospective Need Obligation of 162 units, as explained above and in the attached memo from Norwood’s affordable housing planner (Exhibit “1”), and subject to all reservations of rights set forth above;
3. Norwood hereby directs its attorney 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. Norwood authorizes its Borough Clerk, Attorney, or both 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; and
5. This resolution shall take effect immediately, according to law.

Council Member	Motion	Second	Ayes	Nays	Abstain	Absent
Ascolese		X	X			
Brizzolara			X			
Condoleo			X			
Foschino	X		X			
Hausmann						X
Kim			X			

CERTIFICATION

I, Jordan Padovano, Borough Clerk of the Borough of Norwood, County of Bergen, State of New Jersey, do hereby certify that this is a true and correct copy of the Resolution adopted by the Mayor & Council at their meeting held on January 22, 2025

A handwritten signature in black ink, appearing to read 'JP', is written over a horizontal line. The signature is fluid and cursive.

Borough Clerk



PREPARED BY
NEGLIA GROUP



JANUARY 2025

Fourth Round Affordable Housing
Obligation Report

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 Norwood is located in the northern portion 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 located at the northern most part of the State. Housing Region 1 has the largest combined population of any 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 report projects associated with the Third Round Housing Element, zoning board of adjustment and planning board decisions, or more "boots on the ground" specific information, municipalities are given the opportunity to provide this information when applying the DCA's methodology.

The DCA was limited to create a methodology that would be replicated throughout the state across many different municipalities. Using the 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 Norwood.

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 shall be noted that DCA strictly used census data estimates and the number is not based on actual units that have been inspected for the criteria.

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

The Present Need obligation will be addressed through implementing various programs. We will further address this obligation and strategy in the Fourth Round Housing Element. Based on the methodology, it is determined that the present need obligation is as follows:

Present Need: 15

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

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 divided by that year's State Equalization Table Average Ratios. These equalized nonresidential valuations were then used to calculate the change over the 24 years. Individual municipality values were divided by 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 this adjusted aggregated Housing Region total. The DCA relied on the tax assessment information for the valuations of the properties. The Borough of Norwood has an Equalized Nonresidential Valuation Factor calculated to be 0.41%.

$$0.41\% = \frac{(91,382,800 + 99,977,000) \div 0.8178 - (34,942,435 + 45,369,200) \div 0.7959}{32,549,128,394}$$

0.41% = Equalized Nonresidential Valuation Factor for Norwood

0.8178 = 2023 State Equalization Table Average Ratio for Norwood

91,382,800 = 2023 Commercial Valuation for Norwood

99,977,000 = 2023 Industrial Valuation for Norwood

0.7959 = 1999 State Equalization Table Average Ratio for Norwood

34,942,435 = 1999 Commercial Valuation for Norwood

45,369,200 = 1999 Industrial Valuation for Norwood

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

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

FACTOR 2

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 Norwood, located in Housing Region 1, the lowest municipal median household income is the City of Paterson. Paterson’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 in which Norwood’s median household income will be compared. The Borough of Norwood is calculated to have an Income Capacity of 0.93%. A summary of the calculation is as follows:

$$0.93\% = \frac{1,964 * (156,630 - 51,992)}{33,410,794,107} + \frac{156,630 - 51,992}{8,355,312} \div 2$$

0.93% = Income Capacity Factor for Norwood

1,964 = Number of Households in Norwood

156,630 = Median Household Income in Norwood

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

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

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

FACTOR 3

Land Capacity Factor is computed by using layers developed by the DCA in ArcGIS to determine the amount of developable land. The DCA started with 2024 MOD-IV Property Tax list from the Division of Taxation and identified all lands classified as vacant. Next, DCA used the land use/landcover (LULC) layer courtesy of the New Jersey Department of Environmental Protection to verify the identified sites are vacant. Finally, construction permit information from the Department of Community Affairs was pulled to determine if any of the vacant sites would be developed in the future. The remaining parcels create the total developable land to be used in the calculation.

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

Land Capacity Factor was then calculated by dividing the total developable land by the total developable land for the Housing Region excluding that area from the Qualified Urban Aid Municipalities. For the Borough of Norwood, the Land Capacity Factor was calculated by DCA to be 0.40%. The calculation summary is as follows:

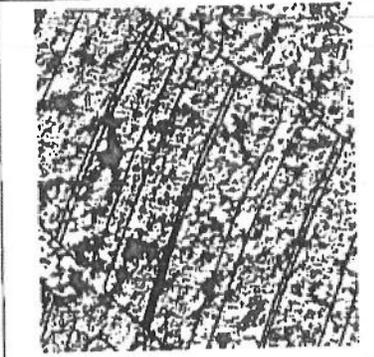
$$0.40\% = \frac{7.835}{1,980}$$

0.40% = Land Capacity Factor for Norwood

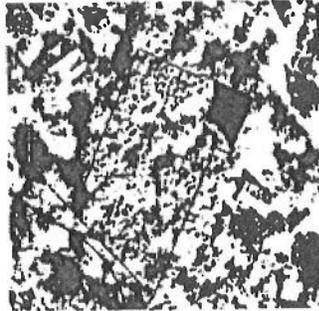
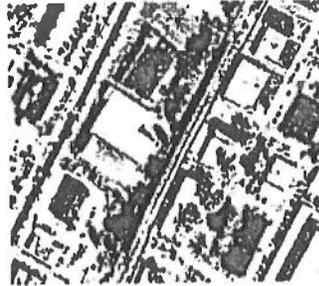
7.835 = Land Use/Land Cover Methodology Land Area for Norwood

1,980 = Total Developable Land for Housing Region 1

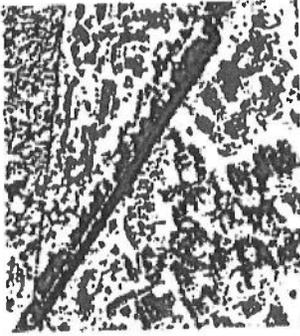
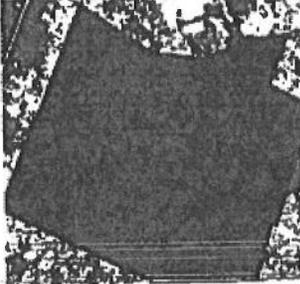
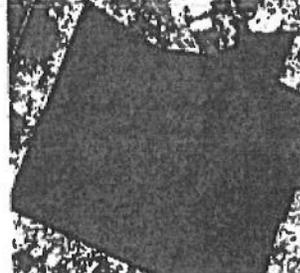
AMENDMENT – The DCA’s methodology was strictly a data analysis that was limited by the information DCA was able to use to determine the land capacity of each municipality. Since, there is not a standardized methods for municipalities to report court settlements from the third round or decisions made by the zoning board of adjustment and planning board properties included in the land capacity may not actually be developable or have already been allocated for development. Upon reviewing the DCA’s Land Capacity layers on GIS we have determined a number of the sites are not developable and shall be excluded.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 81 Lot: 1 Land Capacity Area: 0.066 Acres Property Owner: UW of NJ C/O Altus Group US Inc Property Class: 1 Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. In addition, the lot is located within a wetlands area. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 53 Lot: 2 Land Capacity Area: 0.066 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone A Special Flood Hazard Area. In addition, the lot is located within a wetlands area. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

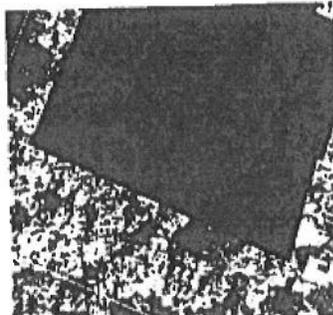
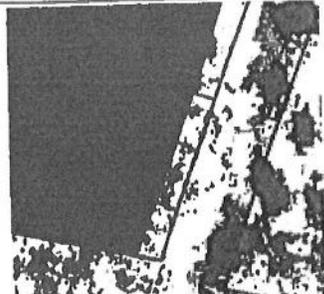
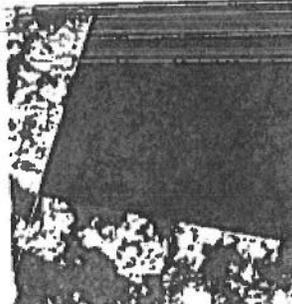
¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 71 Lot: 7 Land Capacity Area: 0.100 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot appears on the NJDEP Wetlands Land Use Land Cover Map, Habitat Locations Map, and FEMA flood maps. In addition, the lot is located within a wetlands area. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 20 Lot: 8 Land Capacity Area: 0.128 Acres Property Owner: Zaitoun, Suleiman & Marlin Property Class: 1 Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone A Special Flood Hazard Area. In addition, the lot is located within a wetlands area. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 90 Lot: 1 Land Capacity Area: 0.304523 Acres Property Owner: ERIE LACKAWANNA RAILROAD Property Class: 1 Current Use: Railroad Right of Way Notes: The lot is part of the Railroad ROW. In addition, it appears on the NJDEP Wetlands Land Use Land Cover Map and Habitat Location. DCA has excluded all ROWs for roads. However, we believe railroad ROWs should also be excluded. Therefore, this lot should not be included in the land capacity calculation.</p>
	<p>Block: 31 Lot: 2 Land Capacity Area: 0.448 Acres Property Owner: Strickland, Brian Nicholas Etal Property Class: 1 Current Use: Vacant Notes: Located within a habitat location. However, DCA does not exclude these properties from land capacity and should be included.</p>

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 144 Lot: 2 Land Capacity Area: 0.787 Acres Property Owner: Westshore Railroad Property Class: 15F Current Use: Railroad ROW Notes: The lot is part of the Railroad ROW. In addition, it appears on the NJDEP Wetlands Land Use Land Cover Map and Habitat Location. DCA has excluded all ROWs for roads. However, we believe railroad ROWs should also be excluded. Therefore, this lot should not be included in the land capacity calculation.</p>
	<p>Block: 87 Lot: 4 Land Capacity Area: 1.029 Acres Property Owner: Cho Dae Presbytrn Church Property Class: 15D Current Use: Church Notes: This property is developed with a church and surface parking lot. In addition, it is identified on the Wetlands, habitat location, and FEMA Flood Hazard Zone maps as a Zone A Special Flood Hazard Area. Since, this property is already developed and actively being used, this lot should not be included in the land capacity calculation.</p>
	<p>Block: 99 Lot: 21 Land Capacity Area: 0.595 Acres Property Owner: Norwood Fire Co. No. 1 Property Class: 15F Current Use: Fire Department Notes: This lot is being used by the Borough's Fire Department. The area of the lot identified in the mapping is a parking area for emergency vehicles. This lot should not be included in the land capacity calculation.</p>
	<p>Block: 99 Lot: 20 Land Capacity Area: 0.180 Acres Property Owner: Norwood Fire Co. No. 1 Property Class: 15F Current Use: Fire Department Notes: This lot is being used by the Borough's Fire Department. The area of the lot identified in the mapping is a parking area for emergency vehicles. This lot should not be included in the land capacity calculation.</p>

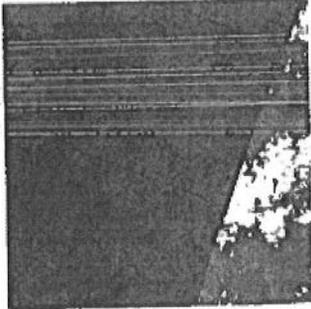
¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 99 Lot: 5 Land Capacity Area: 0.631 Acres Property Owner: Grassi, Lawrence Property Class: 1 Current Use: Vacant Notes: This property is identified on the Historic Location Map. In addition, this lot is completely land locked with no access via a public right of way. However, it does not meet the DCA's requirements to be excluded from the calculation for land capacity.</p>
	<p>Block: 74 Lot: 10 Land Capacity Area: 0.121 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location</p>
	<p>Block: 74 Lots: 2 Land Capacity Area: 0.117 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 74 Lots: 3 Land Capacity Area: 0.083 Acres Property Owner: Borough of Norwood Property Class: 1 Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

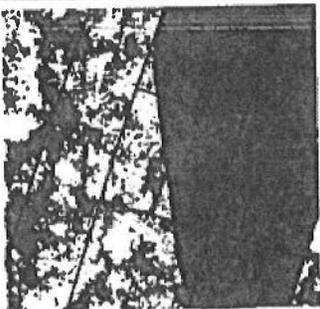
¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 74 Lot: 4 Land Capacity Area: 0.928 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 74 Lot: 5 Land Capacity Area: 0.85 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location</p>
	<p>Block: 74 Lot: 6 Land Capacity Area: 0.087 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location</p>
	<p>Block: 74 Lot: 7 Land Capacity Area: 0.399 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot appears on the NJDEP Wetlands Land Use Land Cover Map and Habitat Locations Map. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 74 Lot: 8 Land Capacity Area: 0.071 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Notes: This lot appears on the NJDEP Wetlands Land Use Land Cover Map and Habitat Locations Map. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 74 Lot: 9 Land Capacity Area: 0.67 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location</p>
	<p>Block: 77 Lot: 1 Land Capacity Area: 0.106 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 10 Land Capacity Area: 0.085 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

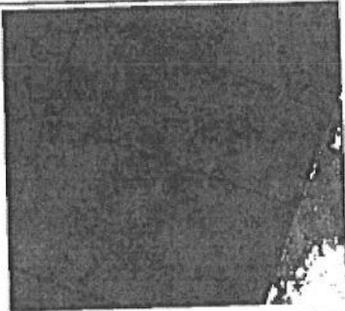
NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 77 Lot: 11 Land Capacity Area: 0.397 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 12 Land Capacity Area: 0.155 Acres Property Owner: Anand, Om & Uma Property Class: 1 Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 13 Land Capacity Area: 0.019 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 2 Land Capacity Area: 0.121 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels

	<p>Block: 77 Lot: 3 Land Capacity Area: 0.317 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 4 Land Capacity Area: 0.073 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot appears on the NJDEP Wetlands Land Use Land Cover Map, Habitat Locations Map, and FEMA flood maps. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 5 Land Capacity Area: 0.008 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>
	<p>Block: 77 Lot: 6 Land Capacity Area: 0.048 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: This lot is identified on FEMA Flood Maps as being located in the Zone AE Special Flood Hazard Area, Floodway. This property cannot be developed as of right and should not be included in the land capacity calculation.¹</p>

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

NJ DCA Layer – Land Capacity Analysis for P.L. 2024, c.2 Parcels	
	<p>Block: 77 Lot: 7 Land Capacity Area: 0.070 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat Location</p>
	<p>Block: 77 Lot: 8 Land Capacity Area: 0.084 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location</p>
	<p>Block: 77 Lot: 9 Land Capacity Area: 0.059 Acres Property Owner: Borough of Norwood Property Class: 15C Current Use: Vacant Notes: Habitat location and FEMA Flood Hazard Zone</p>

Therefore, we believe the Land Capacity Factor should be amended to reflect the information provided. Using the additional data from the Borough's records we believe the following calculations shall be used to determine the Land Capacity Factor:

$$0.08\% = \frac{1.652}{1,980}$$

0.08% = Land Capacity Factor for Norwood

1.652 = Land Use/Land Cover Methodology Land Area for Norwood

1,980 = Total Developable Land for Housing Region 1

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

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. 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 Norwood, the Average Allocation Factor is calculated to be 0.58%. A summary of the calculation is as follows.

$$0.58\% = \frac{0.41\% + 0.40\% + 0.93\%}{3}$$

0.58% = Average Allocation Factor for Norwood

0.41% = Equalized Nonresidential Valuation Factor for Norwood

0.40% = Land Capacity Factor for Norwood

0.93% = Income Capacity Factor for Norwood

The Prospective Need for the Borough of Norwood has been calculated by DCA to be 161 units. This calculation multiplied the Prospective Need of Housing Region 1 by the Average Allocation Factor for the Borough of Norwood. A summary of the calculation is as follows.

$$161 = 0.53\% * 27,743$$

161 = The Prospective Need of Affordable Housing in Norwood

0.53% = Average Allocation Factor for Norwood

27,743 = The Prospective Need for Housing Region 1

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

$$0.47\% = \frac{0.41\% + 0.08\% + 0.93\%}{3}$$

0.47% = Average Allocation Factor for Norwood

0.41% = Equalized Nonresidential Valuation Factor for Norwood

0.08% = Land Capacity Factor for Norwood

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.

0.93% = Income Capacity Factor for Norwood

The Prospective Need for the Borough of Norwood has been calculated to be 130 units. This calculation multiplied the Prospective Need of Housing Region 1 by the Average Allocation Factor for the Borough of Norwood. A summary of the calculation is as follows:

$$130 = 0.47\% \cdot 27,743$$

130 = The Prospective Need of Affordable Housing in Norwood

0.47% = Average Allocation Factor for Norwood

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.

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

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

CONCLUSION

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 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 Norwood Housing Element and Fair Share Plan, Zoning Board of Adjustment Decisions, and Planning Board Decisions, we believe the calculations shall be amended to identify the inconsistencies found within the

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datasets. Specifically, the Land Capacity Factor which included property that is not fully capable of being developed without verification by a license wetlands delineator and a letter of interpretation by the DEP.

The Borough's present need obligation shall be 15 units, the same obligation provided by DCA. However, the Borough's prospective need shall be amended to be 130 units in lieu of the 162 units provided by the DCA, as it correctly identifies the land capacity factor within the Borough.

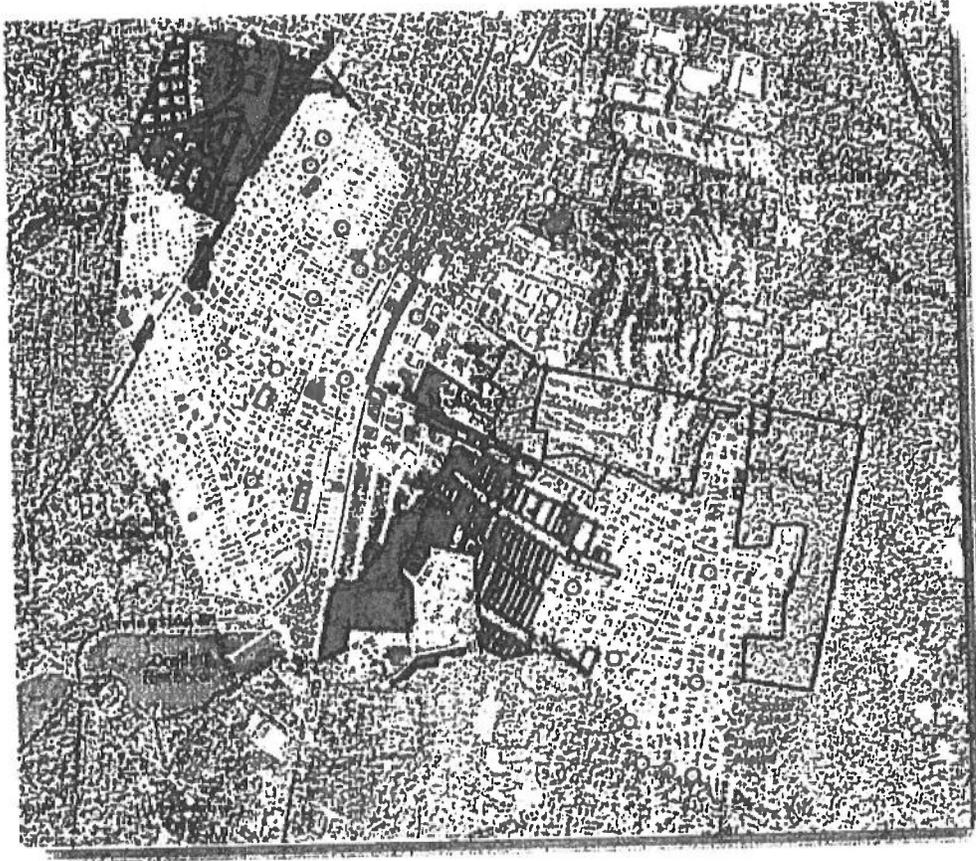


Figure 1 GIS Map of all lands classified as 1 or 15 by the Tax Assessor and all properties with a board application

¹ Wetlands as per latest GIS mapping and subject to verification by licensed wetlands delineator and letter of interpretation by DEP.