

## **EXHIBIT “1”**

**BOROUGH OF MENDHAM  
MORRIS COUNTY, NEW JERSEY**

**RESOLUTION #045-2025**

**RESOLUTION OF THE BOROUGH OF MENDHAM, COUNTY OF MORRIS AND STATE OF NEW JERSEY, ADOPTING THE BOROUGH'S AFFORDABLE HOUSING PRESENT AND PROSPECTIVE NEED OBLIGATIONS FOR THE PERIOD OF JULY 1, 2025 THRU JULY 1, 2035 IN ACCORDANCE WITH P.L. 2024 C.2, AND RESERVING ALL RIGHTS.**

**WHEREAS**, the Borough of Mendham (hereinafter "Borough") has a demonstrated history of voluntary compliance with the Mount Laurel doctrine and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA"); and

**WHEREAS**, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), in July 2015, the Borough filed a Declaratory Judgment Action in Superior Court, Law Division, Morris County, under Docket No. MRS-L-1637-15 ("2015 Action") seeking, amongst other things, a judicial declaration that the Borough's Housing Element and Fair Share Plan (hereinafter "Fair Share Plan"), to be amended as necessary, satisfies its "fair share" of the regional need for low and moderate income housing pursuant to the "Mount Laurel doctrine"; and

**WHEREAS**, the Borough's 2015 Action ultimately culminated in a Court-approved Housing Element and Fair Share Plan and a Final Judgment of Compliance and Repose, entered on October 21, 2020, which entitles the Borough to immunity and precludes Mount Laurel lawsuits and exclusionary zoning litigation, including builder's remedy lawsuits and constitutional compliance lawsuits, from being filed against the Borough until after July 1, 2025; and

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law, P.L. 2024, c.2, which among other things, amended various provisions of the FHA, abolished the Council on Affordable Housing ("COAH") and established the Affordable Housing Dispute Resolution Program ("Program"); and

**WHEREAS**, P.L. 2024, c.2, sets forth that Fourth Round period of affordable housing obligations shall run from July 1, 2025 through June 30, 2035 ("Fourth Round" or "Round Four"); and

**WHEREAS**, pursuant to P.L. 2024, c.2, the Borough is located in Housing Region 2, which is comprised of Essex, Morris, Union and Warren counties; and

**WHEREAS**, the amendments to the FHA require the Department of Community Affairs ("DCA") to prepare and publish a report on the calculations of the regional need and each municipality's present and prospective need affordable housing obligations for the Fourth Round within seven months of March 20, 2024; and

**WHEREAS**, on October 18, 2024 the DCA published its report on the calculations with respect to Statewide regional need and municipal present and prospective need affordable housing obligations for the Fourth Round (the "DCA Report"); and

**WHEREAS**, pursuant to P.L. 2024, c.2, the DCA has calculated the total statewide prospective need obligation to be 84,698 units, which equates to a statewide new construction obligation of over 8,400 affordable units per year; and

**WHEREAS**, the DCA Report calculates the Borough's non-binding Round 4 obligations as follows: 1) a Present Need or Rehabilitation obligation of "0"; and 2) a Prospective Need or New Construction Obligation of "133"; and

**WHEREAS**, pursuant to N.J.S.A. 52:27D-304.1e of the FHA, the calculations in the DCA Report are not binding on municipalities; and

**WHEREAS**, rather, pursuant to N.J.S.A. 52:27D-304.1 of the FHA, each municipality is required to determine its respective Fourth Round present and prospective need fair share obligations, and adopt a binding resolution describing the basis for the municipality's determination on or before January 31, 2025; and

**WHEREAS**, P.L. 2024, c.2, each municipality shall determine its Fourth Round present and prospective need fair share obligations, with consideration of the calculations in the DCA Report, and in accordance with the formulas established in N.J.S.A. 52:27D-304.2 and -304.3 of the FHA using "necessary datasets that are updated to the greatest extent practicable"; and

**WHEREAS**, the Borough's Planner and Municipal Attorney have reviewed the DCA Report along with the underlying data and data sets relied upon by the DCA in reaching its non-binding calculations for the Borough, and have carefully considered and analyzed the most up-to-date localized data pertaining to the Borough, including, amongst other verifiable data, local land use approvals, environmental constraints and other site specific information, construction permits, and MOD-IV data maintained and on file with the Borough with regard to the land capacity and equalized non-residential valuation allocation factors; and

**WHEREAS**, based upon same, the Borough has determined to accept the estimate set forth in the DCA Report with respect to the Borough's Present Need Obligation of "0" at this time; and

**WHEREAS**, however, based upon the above analysis, the Borough has further determined that the DCA's non-binding calculation of the Borough's prospective need obligation of "133" is incorrect and erroneous for multiple reasons; and

**WHEREAS**, in particular, the Borough Planner has confirmed that the DCA arrived at the Borough's land capacity factor using incorrect assumptions and inaccurate data to erroneously determine that approximately 21.26 acres of land within the Borough is "developable"; and

**WHEREAS**, using the most up-to-date localized verifiable data and information available to the Borough, the Borough Planner has determined that only 6.62 acres of land within the Borough is “developable” after consideration is given to the applicable, preserved land, deed restrictions, environmental constraints and restrictions (including wetlands, wetland buffers, and steep slopes), land use approvals, construction permit data, and MOD-IV data, amongst other updated verifiable localized data and information; and

**WHEREAS**, the Borough Planner has further independently calculated the Borough’s Fourth Round Prospective Need affordable housing obligation based on the formulas, criteria, methodology and datasets required by sections 6 and 7 of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.2 and -304.3, and has arrived at a Fourth Round Prospective Need Obligation that accurately reflects the most up-to-date pertinent factual data specific to the Borough; and

**WHEREAS**, based upon the calculations and analysis performed by the Borough Planner, the Borough has determined that its Fourth Round Prospective Need or New Construction obligation is “115”; and

**WHEREAS**, the Borough Planner has prepared a report setting forth this analysis, a summary of all relevant factors and considerations, and the basis for such conclusions, which are summarily incorporated by reference above and which is attached hereto as Exhibit “A”; and

**WHEREAS**, N.J.S.A. 52:27D-304.1f(1)(b) provides that: “the municipality’s determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7 of P.L. 2024, c.2 ... [;]” and

**WHEREAS**, the Borough’s calculation of its Present Need and Prospective Need obligations is/are entitled to a “presumption of validity” because it complies with sections 6 and 7 of P.L. 2024, c.2; and

**WHEREAS**, the Borough, however, specifically reserves the right to adjust its Prospective Need Obligation, including for any of the foregoing adjustments: 1) a Structural Conditions Survey or similar exterior survey which accounts for a lower resolution of present need; 2) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 3) a Durational Adjustment (whether predicated upon a lack of available sewer and/or available water infrastructure); and/or 4) an adjustment predicated upon regional planning entity formulas, inputs or considerations, including, but not limited to the Highlands Regional Master Plan and its build-out; and

**WHEREAS**, in addition to the foregoing, the Borough specifically reserves all rights to revoke this resolution and commitment in the event of: (1) a successful challenge to P.L. 2024, c.2 as a result of the pending litigation entitled: Borough of Montvale et al, v. State of New Jersey, et al., Docket No.: MER-L-1778-24; (2) any other successful challenge to P.L. 2024, c.2, or any directive or regulation adopted pursuant thereto; and/or (3) any subsequent legislative or

regulatory enactment which alters or changes the deadlines, calculations, methodology and/or other requirements of P.L. 2024, c.2; and

**WHEREAS**, the Borough further specifically reserves the right to take a position that its Fourth Round Present Need and/or Prospective Need Obligation(s) are lower than described herein in the event that a third party challenges the calculations provided for in this Resolution (a reservation of all litigation rights and positions, without prejudice); and

**WHEREAS**, in addition to the foregoing, nothing in P.L. 2024, c. 2 requires or can require an increase in the Borough's Fourth Round Present Need and/or Prospective Need Obligation(s) based on a successful downward challenge of any other municipality in the region since the plain language and clear intent of P.L. 2024, c.2, is to establish, for example, unchallenged numbers by default as of March 1, 2025; and

**WHEREAS**, in light of the above, the Mayor and Council of the Borough of Mendham finds that it is in the best interest of the Borough to declare its commitment to the above-listed Fourth Round obligations by resolution in accordance with P.L. 2024, c.2.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Borough of Mendham, in the County of Morris, and State of New Jersey as follows:

1. All of the Whereas Clauses set forth above are hereby incorporated into the operative clauses of this Resolution by reference.

2. The Borough hereby commits to a Fourth Round Present Need Obligation of "0" and a Fourth Round Prospective Need Obligation of "115," as described in this Resolution, and which such commitment to the Borough's Fourth Round Affordable Housing Obligations be and is hereby subject to the Borough's reservation of all rights it may have, as described in this Resolution or otherwise, to revoke, repeal, suspend, amend or modify this Resolution by further action of the Borough, including but not limited to, the following:

- a) The right to adjust, modify, cancel, withdraw or revoke the Borough's commitment to its Fourth Round Present Need and/or Prospective Need Obligations, and/or to otherwise revoke, repeal, suspend, amend, or modify this Resolution should additional information or evidence become available or discoverable to the Borough in the future;
- b) The right to adjust the Borough's Present Need Obligation based on the results of a structural conditions survey or similar exterior survey;
- c) The right to adjust the Borough's Present and/or Prospective Need Obligation based on lack of available vacant and developable land (vacant land adjustment); lack of available sewer and/or water infrastructure (durational adjustment); due to regional planning inputs, formulas or considerations,

including, but not limited to the Highlands Regional Master Plan and its build-out; any other “cap” or adjustment or recognized in the FHA, COAH’s regulations or Mount Laurel case law; or any combination of the above;

- d) All rights to revoke this Resolution in the event of a successful legal challenge to P.L. 2024, c.2, a legislative change to P.L. 2024, c. 2, or any successful challenge to any directive or regulation adopted pursuant to P.L. 2024, c.2, or any change or amendment to such directives or regulations;
- e) All rights to take a position that the Borough’s Fourth Round Present and/or Prospective Need Obligation(s) are lower than described herein in the event that a third party challenges the calculations provided for or relied upon in this Resolution; and/or
- f) All rights to take a position that the Borough’s Fourth Round Present and/or Prospective Need Obligation(s) is/are lower than described herein in the event a third-party claims the Borough’s Round 4 Present and/or Prospective Need Obligations require an increase based on a reallocation or modification of the Regional present or prospective Need Obligations allegedly due from successful reduction of the allocated present and prospective need obligations assigned to another municipality in the Region.

3. The Borough’s calculation of Present and Prospective Need Obligations is/are entitled to a “presumption of validity” because the calculations comply with sections 6 and 7 of P.L. 2024, c.2.

4. In accordance with N.J.S.A. 52:27D-304.1, the Borough hereby directs the Borough Attorney to file an action with the Affordable Housing Dispute Resolution Program along with this Resolution and to take all necessary and proper steps to address any challenges to same by any interested parties.

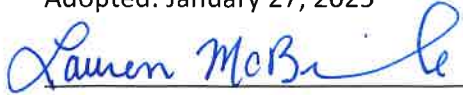
5. The Borough further commits to adopt its housing element and fair share plan pursuant to N.J.S.A. 52:27D-304.1f(2) based on this determination on or before June 30, 2025, and hereby further directs the Borough Attorney, Borough Planner and Borough Engineer to begin taking steps to prepare same.

6. A copy of this resolution, along with filing date of Borough’s action with the Program, shall be placed on the Borough’s website.

7. A copy of this resolution shall remain on file in the Borough Clerk’s office and available for public inspection.

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

Adopted: January 27, 2025

  
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Lauren McBride, Acting Borough Clerk

  
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Christine Serrano-Glassner, Mayor

**EXHIBIT "A"**



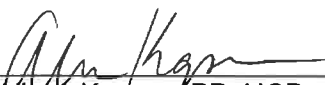
Affordable Housing – Fourth Round  
**Review of Land Capacity Factor and  
Prospective Need Obligation**


January 23, 2025

**Prepared for**  
Mendham Borough, Morris County

**Prepared by**

The original of this report was signed and sealed in accordance with N.J.S.A. 45:14A-12.

  
Alison Kopsco, PP, AICP  
NJPP# 65230

  
Jessica C. Caldwell, PP, AICP, LEED-GA  
NJPP#5944



## Introduction

Amendments to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq., (known as P.L.2024, c.2) were adopted by the State of New Jersey on March 20, 2024. P.L. 2024, c.2 abolished the Council on Affordable Housing (COAH). Each municipality within the State of New Jersey is now responsible for determining its municipal present and prospective need affordable housing obligations in accordance with formulas established pursuant to sections 6 and 7 of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3), and must adopt a binding resolution committing the municipality to its Fourth-Round affordable housing obligations by no later than January 31, 2025.

P.L. 2024, c. 2 further establishes that the Department of Community Affairs (“DCA”) is responsible for conducting a calculation of the regional and municipal present and prospective need obligations and preparing and publishing a report thereon within seven months of the effective date of P.L. 2024, c. 2. These calculations were published on October 18, 2024 in accordance with this legislation. Each municipality may take into consideration the calculations in the DCA’s report when determining the municipality’s Fourth Round affordable housing obligations. However, P.L. 2024, c. 2 explicitly makes it clear that the calculations and determinations set forth in the DCA’s report shall not be binding for each municipality.

The process for Fourth Round affordable housing compliance and the criteria, methodology, and formulas that each municipality must rely upon to determine its present and prospective need obligation are now set forth within N.J.S.A. 52:27D-304.1 thru -304.3 of the Fair Housing Act (“FHA”). The March 8, 2018 unpublished decision of the Superior Court, Law Division, Mercer County, In re Application of Municipality of Princeton (“Jacobson Decision”) is also to be referenced as to datasets and methodologies that are not explicitly addressed in N.J.S.A. 52:27D-304.3.

Both the Jacobson Decision and N.J.S.A. 52:27D-304.3a of the FHA explain that the datasets and information must be reliable and updated to the greatest extent practicable. For example, N.J.S.A. 52:27D:304.3a explicitly states: “[t]hese calculations of municipal present and prospective need shall use necessary datasets that are updated to the greatest extent practicable.” Likewise, the Jacobson Decision quotes Judge Serpentelli’s guiding principles in AMG regarding the fair share methodology:

“Any reasonable methodology must have as its keystone three ingredients: reliable data, as few assumptions as possible, and an internal system of checks and balances. Reliable data refers to the best source available for the information needed and the rejection of data which is suspect. The need to make as few assumptions as possible refers to the desirability of avoiding subjectivity and avoiding any data which requires excessive mathematical extrapolation. An internal system of checks and balances refers to the effort to include all important concepts while not allowing any concept to have a disproportionate impact.”

On October 18<sup>th</sup>, 2024, the New Jersey Department of Community Affairs (“DCA”) published the report titled, “Affordable Housing Obligations for 2025-2035 (Fourth Round): Methodology and Background” (hereinafter “DCA Report”) pursuant to P.L. 2024, c.2. This report implemented a new framework for determining each municipality’s affordable housing obligations under the New Jersey Supreme Court’s Mount Laurel doctrine and the State’s Fair Housing Act. Mendham Borough’s non-binding Prospective Need Obligation, as calculated in the DCA Report, was calculated at **133 units**. This report refines the Borough’s Land Capacity Factor through a site-

by-site analysis, resulting in a “Refined” Fourth Round Prospective Need Obligation of **115 units** (a difference of 18 units). By January 31, 2025, the Borough must formally adopt its Fourth-Round numbers via Council Resolution. Mendham Borough’s Fourth Round Present Need/Rehabilitation Obligation is unaffected by this refinement and remains to be **0 units**. Any unsatisfied obligations from prior rounds must also be met.

## Calculating the Prospective Need

To determine each municipalities’ fair share of affordable housing units, the following three (3) factors were calculated:

**Equalized Nonresidential Valuation Factor:** This factor is described as, “...the changes in nonresidential property valuations in the municipality, since the beginning of the round preceding the round being calculated...” per the Affordable Housing Law. Legislation requires that this factor be calculated using the NJ Division of Local Government Services Property Value Classification Files.

*Mendham Borough’s Equalized Nonresidential Valuation Factor was determined to be 0.18%.*

**Income Capacity Factor:** This is the average of, “...the municipal share of the regional sum of the differences between the median municipal household income, according to the most recent American Community Survey Five-Year Estimates, and an income floor of \$100 below the lowest median household income in the region,” and “...the municipal share of the regional sum of the differences between the median municipal household incomes and an income floor of \$100 below the lowest median household income in the region, weighted by the number of the households in the municipality.”

*Mendham Borough’s Income Capacity Factor was calculated at 1.37%.*

**Land Capacity Factor:** This factor is the total acreage that is developable, calculated utilizing the most recent land use / land cover (LULC) data from the New Jersey Department of Environmental Protection (DEP), the most recently available (released in 2024) MOD-IV Property Tax List data from the Division of Taxation in the Department of the Treasury, and construction permit data from the Department of Community Affairs.

*Mendham Borough’s Land Capacity Factor was calculated at 0.40%.*

The subject of this report is the **Land Capacity Factor**. The other two (2) factors are not modified/refined as part of this exercise, as the data required to be used cannot be refined through local review.

## Refining the Land Capacity Factor

Consistent with sections 6 and 7 of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3), on behalf of the Borough we have considered the DCA Report, along with the underlying data and data sets relied upon by the DCA in reaching its non-binding calculations for the Borough, and have further carefully considered and analyzed the most up-to-date localized data pertaining to the Borough, including amongst other verifiable information, land use approvals, environmental constraints (including wetlands, wetland buffers, steep slopes, and Flood Hazard Areas) and other site specific information, construction permits, and MOD-IV data maintained and on file with the Borough, and conservation easements and other deed restrictions. Based upon our analysis of the DCA Report, the data and data sets relied upon by the DCA, and our analysis of the Borough's up-to-date localized verifiable data, we have determined that the DCA arrived at the Borough's land capacity factor using incorrect assumptions and outdated data and/or incorrect or inaccurate data.

This analysis has led us to conclude that the DCA erroneously included approximately 14.64 acres of undevelopable land as part of the above-referenced 21.26 total acres the DCA determined to be "developable." Accordingly, it is our professional opinion that the Borough's land capacity allocation should be reduced to 6.62 developable acres.

Pursuant to N.J.S.A. 52:27D-304.3a and the Jacobson Decision, our office has prepared more detailed mappings as part of this process, and have further examined the published DCA Land Capacity Factor dataset based on the above-referenced up-to-date verifiable localized data. The tables within Appendices B, C, D, E, and F, of this report identify and summarize the ineligible parcels included in the DCA's published Land Capacity Analysis GIS Composite Layer dataset that should not have been determined to be developable, along with the basis for our conclusion.

Using the formulas, criteria, methodology and datasets required by sections 6 and 7 of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.2 and -304.3), we have further arrived at the Borough's updated land capacity factor, which in turn resulted in the downward adjustment in the Borough's average allocation factor and ultimately the Borough's Prospective Need Obligation.

This determination is of course subject to further adjustments and reductions as permitted in the FHA and regulations associated therewith.

### Methodology

This office reviewed the DCA's dataset<sup>1</sup> containing the outputs of their Vacant and Developable Land Analysis. The purpose of this dataset is to, "...identify potential unconstrained developable land capacity, weighted by planning area types set forth in the legislation, for each municipality and as a corresponding percentage of the same for the housing region within which each municipality lies..." For purposes of this report, we did not review in detail the Equalized Nonresidential Valuation Factor or the Income Capacity Factor.

The first step in our calculation of the Borough's Land Capacity Factor ("LCF") was to review the results of the DCA's Vacant and Developable Land Analysis using GIS to spatially view the vacant,

<sup>1</sup> Land Capacity Analysis GIS Composite Layer, Updated November 20, 2024. "Vacant and Developable land analysis by Housing and Weighting regions used to inform the guidance provided to New Jersey Municipalities regarding non-binding 2025-2035 municipal affordable housing production targets. These layers are a combination of lands deemed developable by the DEP Land Use/Land Cover dataset, as constrained by tax parcel-based MOD-IV data, environmentally sensitive areas and preserved open space, parkland and farmland." Retrieved from <https://njdca.maps.arcgis.com/home/item.html?id=12acdf0a5104f8f8a2f604e96063e74>.

developable land. **Figure 1** identifies the Affordable Housing Regions and their respective developable acreage; Mendham Borough is within Region 2. **Figure 2** illustrates, specifically, Mendham Borough's developable acreage under DCA's analysis. The DCA determined that the Borough's LCF was 0.40%, or 21.26 developable acres spread out over 27 different tracts (the output dataset did not identify parcels, but rather, tracts of land that were considered developable). The complete list of all of these tracts is in **Appendix A**. It should be noted that the DCA's GIS Layer included up to 13 significant digits in the columns for acreage. For purposes of clarity, we rounded down to two (2) significant digits. This results in a 0.02-acre difference between the DCA's calculations and those of this office. See **Appendix G** for a detailed explanation.

To refine this number and provide a more detailed, accurate depiction of the actual available vacant and developable land in the Borough, the list of developable areas further excluded the following areas:

1. Lands that were non-contiguous to other vacant, developable lands and that were under 0.5 acres.<sup>2</sup> This eliminated 16 tracts, or 3.00 acres. See **Appendix B**.
2. Lands that were significantly irregular in shape and/or landlocked.<sup>3</sup> This totaled four (4) tracts, or 6.85 acres. See **Appendix C**.
3. Lands with existing development, or lands with development approvals that were identified in the Borough's Third Round Housing Element and Fair Share Plan.<sup>4</sup> Two (2) tracts are situated within an inclusionary zoning district and cannot be "re-committed" to new development; this totals 2.85 acres. See **Appendix D**.
4. Lands with factors limiting development that were not necessarily accounted for in the DCA calculation (as not required through the legislation, but they still may limit development). These included factors such as riparian areas, critical wildlife habitat, and access to the existing sewer service area. One tract is located within a riparian area and wetlands buffer (0.59 acres), and one tract is on a relatively newly-preserved parcel (Block 605, Lot 1) with an area of 1.35 acres, and was not accurately reflected as preserved open space in the DCA's calculation. See **Appendix E**.

The total lands to be excluded from the list of "vacant, developable lands" equals 14.64 acres. Subtracted from the DCA calculation of 21.26 acres, the refined vacant, developable land in the Borough totals **6.62 acres**, resulting in a refined LCF of **0.12%** (the number of developable acres divided by the total number of developable acres in the region). The average allocation factor ("AAF")<sup>5</sup> then decreases from 0.65% to **0.56%**.

Region 2's total prospective need obligation is 20,506 affordable units and the adjustment factor is 0.9998.<sup>6</sup> With an AAF of 0.65%, the Borough's obligation is 133 units; with a refined AAF of 0.56%, the Borough's obligation is **115 units** (a decrease of 18 units).

<sup>2</sup> One-half of an acre is the generally-accepted amount of acreage required to create at least one (1) affordable housing unit through new development. Tracts under one-half of an acre were excluded as they could not realistically provide for at least one (1) unit of affordable housing.

<sup>3</sup> The Vacant Land Output dataset did not result in *parcels* that were developable, rather *tracts*, regardless of whether they have street frontage. Developable areas without street frontage cannot realistically provide new affordable housing units.

<sup>4</sup> Though the most recent DCA Construction Reporter data is used, what has actually been developed is not necessarily reflected in this data. As such, local review of DCA outputs can confirm on a site-by-site basis.

<sup>5</sup> The Average Allocation Factor (AAF) is the average of the municipality's Equalized Nonresidential Valuation Factor, Income Capacity Factor, and the Land Capacity Factor.

<sup>6</sup> October 18, 2024 DCA Report: "The adjustment factor varies by Housing Region and serves to ensure that the summed total of all municipalities' prospective need obligations equals the regional obligation exactly. Without these factors, the totals would not equal the regional obligation due to rounding."

## Conclusions and Recommendations

The methodology used to identify and exclude parcel types listed in the analysis contained within this report is consistent with the published DCA Report. The data, data sources, methodology, criteria, and formulas relied upon in completing this analysis and arriving at these opinions, including the calculation of the Borough's Prospective Need Obligation, was performed in accordance with sections 6 and 7 of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3) and the Jacobson Decision. All opinions and conclusions set forth herein are within a reasonable degree of professional planning certainty. We reserve the right to amend and supplement our findings, opinions, and conclusions should additional information be made available at a later date.

Table 1. Summary of Prospective Need Calculation (DCA and Refined through this Report)

Region	2	
Region Prospective Need	20,506 units	
Region Vacant, Developable Land	5,358 ac.	
Region Adjustment Factor	0.9998	
Equalized Nonresidential Valuation Factor	0.18%	
Income Capacity Factor	1.37%	
	<i>DCA</i>	<i>Refined</i>
Municipal Vacant Developable Land	21.26 ac. <sup>7</sup>	6.62 ac.
Land Capacity Factor	0.40%	0.12%
Average Allocation Factor	0.65%	0.56%
<b>Prospective Need Obligation</b>	<b>133 units</b>	<b>115 units</b>

<sup>7</sup> See Appendix G.



Figure 2. Mendham Borough - Land Capacity Factor





## Appendix A. Vacant Land Output

This table lists every tract determined to be “vacant, developable land” per the DCA Report.

### List of Vacant, Developable Tracts – Result of DCA Analysis

Tract	Acreage
1	0.07
2	0.71
3	1.64
4	0.17
5	0.09
6	0.19
7	0.14
8	0.69
9	0.70
10	0.09
11	0.24
12	0.18
13	4.46
14	0.10
15	0.12
16	0.52
17	0.38
18	0.21
19	2.18
20	0.28
21	0.38
22	0.67
23	1.35
24	0.30
25	4.75
26	0.59
27	0.06

<b>Total Vacant, Developable Land</b>	<b>21.26 acres</b>
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## Appendix B. Non-Contiguous Tracts Under 0.5 Acres

One-half of an acre is the generally-accepted amount of acreage required to create at least one (1) affordable housing unit through new development. Tracts under one-half of an acre were excluded as they could not realistically provide for at least one (1) unit of affordable housing. Tracts marked in ~~red-strikethrough~~ are eliminated in this step.

### List of Vacant, Developable Tracts – Removing Tracts Under 0.5 Acre

Tract	Acreage
<del>1</del>	<del>0.07</del>
2	0.71
3	1.64
<del>4</del>	<del>-0.17</del>
<del>5</del>	<del>0.09</del>
<del>6</del>	<del>0.19</del>
<del>7</del>	<del>0.14</del>
8	0.69
9	0.70
<del>10</del>	<del>0.09</del>
<del>11</del>	<del>0.24</del>
<del>12</del>	<del>0.18</del>
13	4.46
<del>14</del>	<del>0.10</del>
<del>15</del>	<del>0.12</del>
16	0.52
<del>17</del>	<del>0.38</del>
<del>18</del>	<del>0.24</del>
19	2.18
<del>20</del>	<del>0.28</del>
<del>21</del>	<del>0.38</del>
22	0.67
23	1.35
<del>24</del>	<del>0.30</del>
25	4.75
26	0.59
<del>27</del>	<del>0.06</del>

<b>Total Vacant, Developable Land (DCA)</b>	<b>21.26</b>
<del>Tracts &lt; 0.5 Ac.</del>	<del>-3.00</del>
<b>New Total</b>	<b>18.26</b>

### Appendix C. Irregularly-Shaped and/or Landlocked Tracts

Tracts that are irregular in shape or landlocked, making new development not feasible, are eliminated as vacant, developable land.

**List of Vacant, Developable Tracts – Irregular or Landlocked Tracts**

Tract	Acreage
<del>2</del>	<del>0.71</del>
3	1.64
<del>8</del>	<del>0.69</del>
<del>9</del>	<del>0.70</del>
13	4.46
16	0.52
19	2.18
22	0.67
23	1.35
<del>25</del>	<del>4.75</del>
26	0.59

<b>Total Vacant, Developable Land (DCA)</b>	<b>21.26 acres</b>
<i>Tracts &lt; 0.5 Ac. (Appendix B)</i>	<i>-3.00</i>
<i>Irregular or Landlocked (this step)</i>	<i>-6.85</i>
<b>New Total</b>	<b>11.41 acres</b>

### Tract 2

This tract is 0.71 acres and situated within Roxiticus Golf Club. It is entirely landlocked with no access to street frontage.



### Tracts 8 & 9

Tracts 8 and 9 are 0.69 and 0.70 acres, respectively, and located on the Roxiticus Golf Club property. In the case of Tract 8, it has no access to street frontage. Tract 9 is also irregular in shape and appears to be an access road in between dense forested land.



Tract 25

Tract 25 is 4.75 acres and located on Block 101, Lot 31 on Ironia Road. This parcel contains the Mendham Borough Water Reclamation Facility (sewer treatment plant); the area shown as developable is not appropriate for development given its close proximity to the sewer treatment plant.



### Appendix D. Developed Lands or Approvals for Development

Tracts which are situated on parcels that have received Planning Board approvals, or parcels that are a part of an inclusionary zone identified in the 2020 Housing Element and Fair Share Plan are eliminated as vacant, developable land as the land has already been committed to development.

#### Developed Tracts or Lands with Approvals for Development

Tract	Acreage
3	1.64
13	4.46
16	0.52
<del>19</del>	<del>2.18</del>
<del>22</del>	<del>0.67</del>
23	1.35
26	0.59

Total Vacant, Developable Land (DCA)	21.26 acres
<i>Tracts &lt; 0.5 Ac. (Appendix B)</i>	<i>-3.00</i>
<i>Irregular or Landlocked (Appendix C)</i>	<i>-6.85</i>
<i>Development Status (this step)</i>	<i>-2.85</i>
<b>New Total</b>	<b>8.56 acres</b>

Tracts 19 and 22

These two tracts are situated within the Daytop School Inclusionary Zone proposed in the Borough's Third Round Housing Element and Fair Share Plan, thus, cannot be committed a second time to new, separate development.



## Appendix E. Additional Limits to Development

After the steps completed in Appendices B through D, the remaining tracts were reviewed for potential conflicts with the following:<sup>8</sup>

1. Newly Preserved Lands
2. New Jersey Statewide Sewer Service Area
3. Critical Wildlife Habitat *(this did not result in the elimination or reduction of any tracts)*
  - a. Highlands Rank 3: Critically Significant
  - b. Highlands Rank 2: Significant
  - c. Highlands Rank 1: Low Significance
4. Riparian Areas *(this did not result in the elimination or reduction of any tracts)*
5. Wetlands and Buffers
6. Flood Hazard Areas *(this did not result in the elimination or reduction of any tracts)*

Tract	Acreage
3	1.64
13	4.46
16	0.52
<del>23</del>	<del>1.35</del>
<del>26</del>	<del>0.59</del>

<b>Total Vacant, Developable Land (DCA)</b>	<b>21.26 acres</b>
<i>Tracts &lt; 0.5 Ac. (Appendix B)</i>	<i>-3.00</i>
<i>Irregular or Landlocked (Appendix C)</i>	<i>-6.85</i>
<i>Development Status (Appendix D)</i>	<i>-2.85</i>
<i>Additional Limits to Development (this step)</i>	<i>-1.94</i>
<b>New Total</b>	<b>6.62 acres</b>

<sup>8</sup> The DCA methodology already excludes lands constrained by preserved open space and farmland, category 1 waterways, wetlands, steep slopes exceeding 15%, open waters, and the associated buffers for each of those constraints, if applicable.



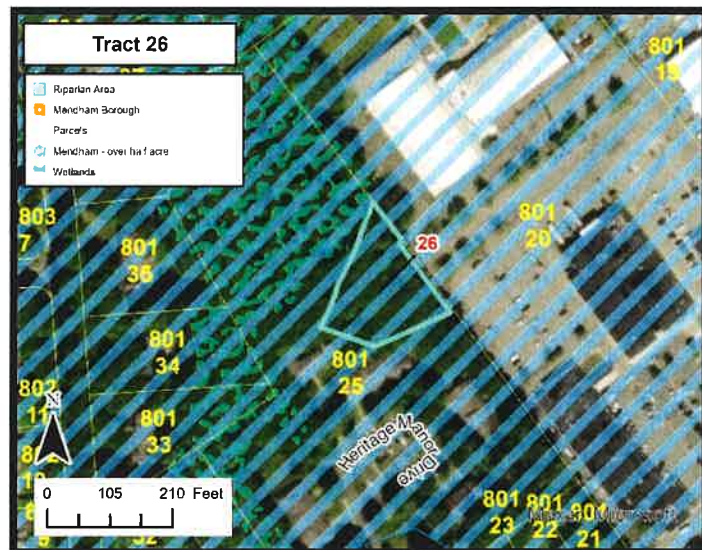
**Tract 23**

Tract 23 is located within Block 605, Lot 1 and included 1.35 acres of developable area. This lot was subdivided and the Borough acquired the rear portion of the lot to preserve as open space. The purchase of this property was authorized via Resolution #19-2021 by the Borough Council and was funded by \$220,000 from the Morris County Open Space Trust Fund and \$80,000 from the Mendham Borough Open Space Trust Fund.



**Tract 26**

Tract 26 is on Block 801, Lot 25 off of East Main Street and next to the King’s Shopping Center. This site is the location of the Borough’s existing Mendham Area Senior Housing (MASH) development, but the 0.59 acre tract identified as developable falls within a riparian area and is directly adjacent to wetlands, which would include a wetlands buffer of 150 feet that would cover the identified developable area.



## Appendix F. Refined List of Vacant, Developable Tracts

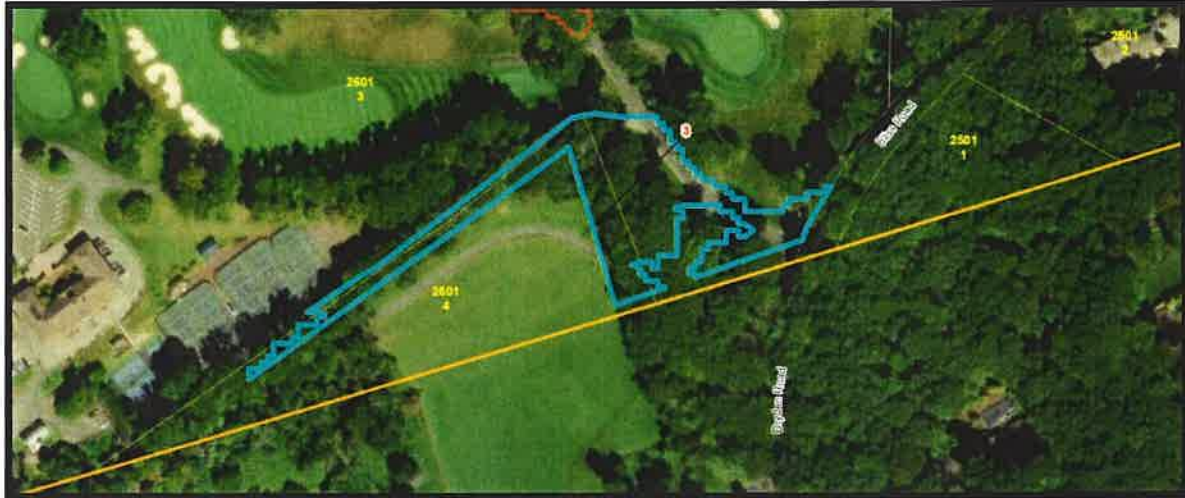
### Refined List of Vacant, Developable Tracts

Tract	Acreage
3	1.64
13	4.46
16	0.52

<b>Total Vacant, Developable Land (DCA)</b>	<b>21.26</b>
<i>Excluded Lands, Total</i>	<i>-14.64</i>
<b>Refined Total Vacant Developable Land</b>	<b>6.62</b>

### Tract 3

This tract is located on two (2) parcels: Block 2601, Lot 3, and 2601, Lot 4. The site is located off of Bliss Road and borders Bernardsville Borough in Somerset County.



### Tracts 13 & 16

Tracts 13 and 16 are located on Block 2301, Lot 13, which is owned by the Sisters of Christian Charity. The total acreage of this property is 112 acres.



## Appendix G. Rounding Discrepancy

**COLUMN A**

Tract labels manually added in by this office.

**COLUMN B**

This column was copied and pasted directly from DCA GIS data, which includes 13 significant digits. Decimal points were decreased to 2 digits using tool in Excel toolbar, so the sum of Column B is still adding all significant digits in this column

**COLUMN C**

This column manually typed to 2 significant digits. This results in a difference of 0.02 between sum of Column B and sum of Column C (this column)

Tract	Vacant, Developable Acreage	Vacant, Developable Acreage
1	0.0695260470152	0.07
2	0.7060282943000	0.71
3	1.6390266895100	1.64
4	0.1664704498090	0.17
5	0.0904589609850	0.09
6	0.1859873336160	0.19
7	0.1367109138830	0.14
8	0.6947703450850	0.69
9	0.7037255392160	0.70
10	0.0894598330848	0.09
11	0.2357149185640	0.24
12	0.1787615780210	0.18
13	4.4634423056700	4.46
14	0.1038786134910	0.10
15	0.1184172877020	0.12
16	0.5196584820230	0.52
17	0.3770722730390	0.38
18	0.2051132419760	0.21
19	2.1775608208900	2.18
20	0.2751437051020	0.28
21	0.3760128101440	0.38
22	0.6740713853840	0.67
23	1.3463587329600	1.35
24	0.3048844777770	0.30
25	4.7495380970600	4.75
26	0.5892822121730	0.59
27	0.0583610786577	0.06
<b>Total</b>	<b>21.2354375121377</b>	<b>21.26</b>

Since 21.26 versus 21.24 does not result in a difference in the Prospective Need, 21.26 is utilized to more easily track changes as parcels are removed throughout this analysis.