## BOROUGH OF FAR HILLS RESOLUTION 25-047 AUTHORIZING THE COMMITMENT TO COMPLY WITH AFFORDABLE HOUSING OBLIGATIONS FOR ROUND 4

- 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 Round 4 (2025-2035) obligations of the Borough of Far Hills as follows: a Present Need or Rehabilitation Obligation of 0 and a Prospective Need or New Construction Obligation for of 41; 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, 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 biding 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,** Far Hills Borough is a Highlands Regional Master Plan-designated Planning Area municipality; and
- WHEREAS, the there is a history of interaction between the Highlands Act and the Fair Housing Act of 1985, an Appellate Division decision entitled <u>In re Highlands Master Plan</u>, 421 <u>N.J. Super.</u> 614, 633 (App. Div. 2011) and principles established by the Amendments to the FHA in 2024 that all highlight the importance of taking into account the goals of the Highlands Act in conjunction with planning and zoning in the Highlands; and
- **WHEREAS**, more specifically, <u>N.J.S.A.</u> 52:27D-310 provides that when a municipality is located in the Highlands, that municipality should analyze how the plan addresses the Highlands Regional Master Plan and other Highlands concerns:
  - A municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing, and shall contain at least:

h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c. 120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; . . .

[N.J.S.A.52:27D-310]; and

WHEREAS, Far Hills has adopted a resolution seeking plan conformance from the Highlands Council, which will impact how the Borough addresses its affordable housing responsibilities; and

WHEREAS, the Borough of Far Hills specifically reserves the right to adjust those numbers based on one or any of the foregoing adjustments: 1) a Vacant Land Adjustment predicated upon a lack of vacant, developable and suitable land; 2) a Durational Adjustment (whether predicated upon lack of sewer or lack of water); and/or 3) 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, the Pinelands or Meadowlands regulations and planning document; and

WHEREAS, based on the foregoing, the Borough of Far Hills accepts the DCA calculations of its fair share obligations and commits to its fair share of 0 units present need and 41 units prospective need subject to any vacant land and/or durational adjustments it may seek as part of the Housing Element and Fair Share Plan it subsequently submits in accordance with the Amended FHA; and

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

WHEREAS, the Borough of Far Hills 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, the Borough of Far Hills reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, in light of the above, the Borough of Far Hills finds that it is in the best interest of the Borough to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint . . . . in the county in which the municipality is located . . . . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner" and

**WHEREAS**, the Borough of Far Hills seeks a certification of compliance with the FHA and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution in Somerset County.

**NOW, THEREFORE, BE IT RESOLVED** on this 27th day of January, 2025 by the Borough of Far Hills as follows:

- 1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
- 2. The Borough of Far Hills hereby commits to the DCA Round 4 Present Need Obligation of 0 units and the Round 4 Prospective Need Obligation of 41 subject to all reservations of rights, which specifically include:
  - a) The right to adjust its obligations based upon considerations of the Highlands Water Protection and Planning Act, N.J.S.A. 13:20-1, the Highlands Water Protection and Planning Council and related laws and actions;
  - b) The right to adjust the number based on lack of land, sewer, water, or any combination thereof;
  - c) The right to comply with the NJILGA Legislation if the Legislature enacts it;
  - d) The right to adjust its obligation in the event of any future legislation that adjusts the obligations the DCA reported on October 18, 2024;
  - e) The right to adjust its obligations based upon any ruling in the Montvale litigation or other litigation;
  - f) The right to adjust its obligations in the event of a third party challenge to the obligations of the Borough of Far Hills and the Borough defends itself; and
- 3. The Borough of Far Hills hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint in Somerset County within 48 hours after adoption this resolution attaching this resolution.
- 4. The Borough of Far Hills authorizes its Affordable Housing Counsel to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution 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 and shall be posted on the Borough of Far Hills municipal website within 48 hours of its adoption.

Resolution 25-047

I certify this is a true and exact copy of a resolution adopted by the Far Hills Borough Council on 1/29/2025.

Dorothy S. Hicks, Borough Clerk

ATTEST:

Dorothy S. Hicks Borough Clerk Kevin P. Welsh

Mayor