## TOWNSHIP OF MANSFIELD COUNTY OF WARREN

#### **RESOLUTION 074-2025**

RESOLUTION OF THE TOWNSHIP OF MANSFIELD, COUNTY OF WARREN, STATE OF NEW JERSEY, ESTABLISHING THE TOWNSHIP'S PROSPECTIVE FAIR SHARE OBLIGATIONS FOR AFFORDABLE HOUSING FOR THE FOURTH ROUND 10-YEAR PERIOD OF 2025-2035 IN ACCORDANCE WITH THE FAIR HOUSING ACT

WHEREAS, on January 22, 2025, the Township adopted Resolution #058-2025, wherein the Township established the Township's present need affordable housing obligation and adopted a reduced prospective need obligation from 418 units stated in the report issued by the Department of Community Affairs in October 2024, pending a report by the Affordable Housing Planner, Colliers Engineer and Design (hereinafter "AHP" or "Affordable Housing Planner"); and

WHEREAS, the Affordable Housing Planner has now issued its report dated January 31, 2025; and

WHEREAS, the Township is now in a position to adopt its prospective affordable housing obligation; and

WHEREAS, the Department of Community Affairs (hereinafter "DCA") report (hereinafter "DCA Report") issued in October 2024, calculating each municipality's present and prospective affordable housing obligation is not binding upon the municipalities; 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 Fair Housing Act further provides that "[a]II parties shall be entitled to rely upon regulations on municipal credits, adjustments and compliance mechanisms adopted by the Council on Affordable Housing ("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 also empower municipalities to secure vacant land adjustments, durational adjustment and other adjustments; and

WHEREAS, the DCA has released a Geographic Information System 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 Township of Mansfield has reviewed the lands identified by the DCA for the land capacity factor with respect to 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, pursuant to N.J.S.A. 52:27D-304.1(3)(f)(1), with consideration of the calculation contained in the aforesaid DCA Report, each municipality must determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections N.J.S.A. 52:27D-304.2 and N.J.S.A. 52:27D-304.3 by resolution, which describes the basis for the municipality's determination and binds the municipality to adopt a housing element and fair share plan pursuant to paragraph 2 of N.J.S.A. 52:27D-304.1(3)(f); and

WHEREAS, the Township has reviewed the DCA Report titled Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background (hereafter "DCA Report"), and its supporting documents, and engage the services of expert planner, Daniel Bloch of Colliers Engineering & Design, (hereafter "AHP" or "Affordable Housing Planner") to review the methodology and data contained in the DCA Report; and

WHEREAS, the Affordable Housing Planner having issued their report on January 31, 2025 (hereafter "AHP Report"); and

WHEREAS, based on the foregoing, the Township of Mansfield relies on the DCA calculations of the Township of Mansfield's fair share obligations as modified herein to account for the Township of Mansfield's review of lands identified by the DCA for the land capacity factor with respect to MOD-IV Property Tax List data, construction permit data, land use board approvals, to ascertain whether these identified developable lands may accommodate development, and as further set forth in detail and explained in the attached AHP Report, and the Township of Mansfield seeks to commit to provide its fair share of prospective need units, subject to any vacant land and/or durational adjustment it may seek as part of the Housing Element and Fair Share Plan it subsequently submits in accordance with the Amended Fair Housing Act; and

WHEREAS, based on a review of the DCA Report and findings by the Affordable Housing Planners, Colliers Engineering & Design, in the AHP Report, it is recommended that the Township Committee adopt a binding resolution determining a reduced municipal Prospective Need obligation of 196 based on a recalculation of the Land Capacity Factor to account for DCA's methodology errors and as supported by the AHP Report, which is attached hereto and incorporated herein as <u>Exhibit A</u>; and

WHEREAS, the Affordable Housing Planner in their AHP Report have determined that the Land Capacity Factor must be adjusted downward from 5.13% to 1.88% by removing the following land, consisting of an adjustment of 177.035 acres, which was formerly included as developable land in the DCA Report calculation;

- (1) Block 2401/Lot 4 This area is the rear yard of an existing single-family home, which is constrained by steep slopes and is identified as undevelopable;
- (2) Block 1109/Lot 2 This property was previously rezoned for inclusionary housing to meet the Third-Round obligation and should not be double-counted towards the Fourth Round obligation;
- (3) Block 1802/Lot 7 This property is owned by JCP&L as part of the power supply infrastructure right-of-way and is not considered developable;
- (4) Block 1105.10 Lots 5,6,7,8 Property spans across Lots 5,6,7 and 8 in Block 1105.10. Lot 5 was previously rezoned for inclusionary housing to meet the Third-Round obligation and should not be double-counted towards the Fourth-Round. Lot 8 is developed with the Donaldson farm market and barn structures and is identified as undevelopable. Lots 6 and 7 are unpreserved agricultural fields and are included as developable lands. The acreage available for development for this area is 97.60168; and

WHEREAS, upon correcting the Land Capacity Factor per the AHP Report downward from 5.13% to 1.88%, thus reducing the acreage from 274.635 to 97.60168, the Township's Prospective Need obligation is 196 based upon the Fourth Round Methodology contained in the DCA Report as modified by the AHP Report; and

WHEREAS, the Township is aware of certain litigation before the Courts and potential additional changes to the Fair Housing Act, and therefore reserves the right to adjust its obligation based upon any adjudication in the Courts, change in legislation, change in methodology or DCA Report, in the event of a Third-Party challenge, and commits to the within obligation numbers subject to all reservations of rights; and

WHEREAS, in light of the above, the Township Committee of the Township of Mansfield finds it is in the best interest of the Township of Mansfield to declare its commitment to the Prospective Need obligation as reported in the HGA Report; subject to the reservations set forth herein; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of Mansfield, County of Warren, State of New Jersey, as follows:

- 1. All of the above Whereas Clauses are incorporated into the operative clauses of this resolution.
- 2. Pursuant to N.J.S.A. 52:27D-304.1(3)(f)(1) and in conformance with the formulas set forth in N.J.SA. 52:27D-304.2 and N.J.S.A. 52:37D-304.3, the Township Committee of the Township of Mansfield commits to the prospective fair share obligation for affordable housing of 196 based upon the DCA Report as modified by the AHP Report, for the Fourth Round, subject to all reservation of rights, including but not limited to the following:
- a. The right to a vacant land adjustment, durational adjustments, and all other applicable adjustments permitted;
- b. The right to comply with any future changes in legislation that changes its obligations under current law including any additional changes to the Fair Housing Act;
- c. The right to adjust the fair share obligations in the event of any future legislation that adjusts the fair share obligations as set forth in the DCA Report calculations;
- d. The right to adjust its fair share obligation based on any future adjudication by a court of competent jurisdiction; and
- e. The right to adjust its fair share obligation in the event of a Third-Party challenge to the fair share obligations and the Township of Mansfield's response;
- 3. The Township Attorney is hereby authorized to file this resolution and such documents as are necessary with regards to the pending Declaratory Judgment complaint in Warren County under docket number WRN-L-000028-25 seeking a certificate of compliance as to the Township's Fourth Round Affordable Housing obligation; and
- 4. A certified copy of this resolution shall be submitted and/or filed with the Alternate Dispute Resolution Program or any other such entity as may be determined to be appropriate. A certified copy of the resolution shall also be posted on the municipal website.
- 5. The Township shall adopt a housing element and fair share plan based upon the determinations set forth in this Resolution and as may be adjusted by the Alternate Dispute Resolution Program in accordance with N.J.S.A. 52:27D-304.1(3)(f)(2) or as may be subsequently adjusted based upon the reservation of rights.
- 6. This resolution shall take effect immediately, according to law.

Motion: Approve Resolution Moved by: Hayes; Seconded by: Mc Guinness Vote; Motion carried by roll call vote (Summary: Yes=4)

Yes: Hayes, Mc Guinness, Farino, Watters No: Abstain: Absent: Mora Dillon

I, Wendy Barras, Township Municipal Clerk of the Township of Mansfield, in the County of Warren, State of New Jersey hereby certify this to be a true copy of the action of the Governing Body, at its Regular Meeting held February 12, 2025. Witness my hand this 13<sup>th</sup> day of February, 2025.

Wendy Barras, Township Municipal Clerk

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# **EXHIBIT A**

Shelbourne at Hunterdon 53 Frontage Road, Suite 110 Hampton, New Jersey 08827 Main: 877 627 3772



#### Memorandum

To:

Town of Mansfield

From:

Daniel N. Bloch, PP, AICP, EADA

Date:

January 31, 2025

Subject:

Analysis of DCA Fourth Round Allocation Factors

Project No.:

MNF022

P.L. 2024, c.2 specifies the formula and process by which Fourth Round affordable housing obligation numbers are to be calculated. The Department of Community Affairs (DCA) was charged with the preparation of the Fourth Round municipal obligations. DCA published their report on or about October 18, 2024. It was accompanied by a detailed spreadsheet illustrating the various calculations used in determining the Fourth Round affordable housing obligations. The spreadsheet includes a tab for each of the three allocation factors (land capacity, equalized non-residential valuation, and income). However, the spreadsheet only noted an aggregated acreage value for each town. Detailed Geographic Information Systems ("GIS") mapping illustrating the location of the developable areas was not released until November 27, 2024.

The allocation process starts with a state-wide need for affordable housing. DCA has calculated this number to be 84,698 units. This number is allocated amongst the six affordable housing regions. Mansfield is located in Region 2 – Essex, Morris, Union, and Warren. Region 2 has a Fourth Round obligation of 20,506.

The regional need is then distributed to the non-urban aid municipalities based on three allocation factors:

- Equalized Non-residential Valuation
- Income Capacity
- Land Capacity

Equalized non-residential valuation is determined by the change in value for commercial and industrial parcels between 1999 and 2023. The municipal value change is divided by the change in value of Region 2, which produces a percentage. This percentage is the Equalized Non-residential Valuation factor.

Income capacity measures the extent to which the municipality's income level differs from that of the lowest-income municipality in its Region. For Region 2, Newark has the lowest median income. The analysis reviews the income difference and does account for number of households in each community. Once again, each community is compared to the Region's aggregate median income difference. Essentially, the higher median income a community has, the higher percentage it is allocated.

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Land capacity estimates the total acreage that is developable based on 2020 aerial imagery. The Township's developable acreage is divided by the Region's total acreage, which produces a percentage. This percentage is the Land Capacity factor.

The three factors are then averaged for each community. That average is then multiplied by the obligation for the municipality's Region.

The information below summarizes the three allocation factors and the average allocation assigned to Mansfield Township.

- Non-residential ~ 0.53%
- Land Capacity ~ 5.13%
- Income ~ 0.46%
- Average allocation is 2.04%; therefore, the Fourth Round Obligation is 418 (2.04% x 20,506)

DCA provided a detailed excel workbook with their data inputs and calculations. Below is a summary of the data we reviewed and our findings.

#### **Equalized Non-Residential Valuation**

- 2023 commercial and industrial values are correct (total = \$125,315,750)
- 2023 State Equalization Table Average Ratio 73.03% from state table on website is correct
- 1999 commercial and industrial values are correct (total = \$28,617,400)
- 1999 State Equalization Table Average Ratio 80.01% is correct
- The calculations for Mansfield are correct

#### **Income Capacity**

- 2022 number of households is correct (2,933) [2023 number of households is 3,069]
- 2022 median income is correct (\$93,472) [2023 median income is \$94,432]
- Regional 2 minimum median income was Newark with \$46,460, correct
- Difference from median household floor with household weight is correct
- Household weighted income difference percentage is correct
- Difference from median household income floor is correct
- Income difference percentage of region is correct
- Income capacity allocation calculations for Mansfield Township are correct
- DCA used 2022 5-year data, which was the latest available. 2023 5-year data was released recently and is included above in brackets for reference but not used in calculations.

#### **Land Capacity**

- Table states 274.635 acres for Mansfield we do not agree with this figure.
  - The DCA GIS data identifies 4 areas within the Town of Mansfield as developable. These areas total 274.635 acres according to the GIS data. Each area has been assigned a unique "ObjectID" or identification number. The table attached as **Exhibit A** lists each

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area's identification number (see column "DCA ObjectID"), and the associated vacant acres identified by DCA.¹ Our office then added a column to identify the block(s) and lot(s) each area encompasses. We then reviewed each area to confirm if it was developable as it stands at the time of this review. Our findings for each of the 4 areas is provided under "Comments". Finally, the table contains a column labeled "Adjusted Developable Acres" based upon the results of our area-by-area analysis.

This detailed evaluation reveals that only one of the four identified areas are developable, encompassing 97.60168 acres. Therefore, Mansfield's developable acreage is 97.6 acres, not 274.635 acres. When this corrected acreage data is entered into DCA's excel spreadsheet<sup>2</sup> the Township's Land Capacity Factor decreased from 5.13 % to 1.88%. The Township's Average Allocation Factor decreased from 2.04% to 0.96% and, accordingly, Mansfield's Fourth Round Obligation is reduced from 418 to 196 units.

In conclusion, our analysis has identified discrepancies with the data for the allocation factors, specifically the land capacity factor. Once analyzed and updated to reflect the status of developable land, the land capacity factor was reduced which led to a reduction to the overall average allocation factor. Therefore, there was a decrease in the calculated obligations for the Township. As a result, we have reason to object to the Fourth Round obligation DCA has calculated for Mansfield and request that the obligation be reduced to 196 units.

 $R: \label{lem:reconstruction} Results and \label{lem:re$ 

<sup>&</sup>lt;sup>1</sup> Note that the DCA GIS attribute table labels this column as "vacant acres" not developable acres.

<sup>&</sup>lt;sup>2</sup> https://www.nj.gov/dca/dlps/4th\_Round\_Numbers.shtml

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Engineering & Design

### **Exhibit A: DCA Land Capacity Factor Analysis**

DCA ObjectID	Weighted Acres	Vacant Acres	Block(s) / Lot(s)	Comments	Adjusted Developable Acres
32661	0.3598	0.3598	B2401/L4	This area is the rear yard of an existing single-family home, which is constrained by steep slopes. Identified as undevelopable.	0
32662	13.8415	13.8415	B1109/L2	This property was previously rezoned for inclusionary housing to meet the Third Round obligation and should not be double-counted towards the Fourth Round obligation.	0
32663	1.8147	1.8147	B1802/L7	This property is owned by JCP&L as part of the power supply infrastructure right-of-way and is no considered developable.	0
32664	258.6188	258.6188	B1105.10/ L5, 6, 7 & 8	Selection spans across Lots 5, 6, 7, and 8 in Block 1105.10. Lot 5 was previously rezoned for inclusionary housing to meet the Third Round obligation and should not be double-counted towards the Fourth Round obligation. Lot 8 is developed with the Donaldson farm market and barn structures and is identified as undevelopable. Lots 6 and 7 are unpreserved agricultural fields and are included as developable lands.	97.60168