

# 4<sup>TH</sup> AFFORDABLE HOUSING ROUND DECLARATION OF OBLIGATIONS VERONA TOWNSHIP

1/20/2025

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# PURPOSE OF MEETING

## FOURTH ROUND AFFORDABLE HOUSING RULES

- Passed by State legislature March 20, 2024
- Require declaration of affordable housing need before 1/31
- Adoption of plan to meet need by 6/30
- Adoption of new ordinances to implement plan by 3/15/2026

## DCA CALCULATIONS (OCTOBER 18, 2024)

- Prospective Need – Zone for / create new housing by 2035
  - **173 Units**
- Present Need – Fund rehab of substandard homes
  - **0 Units**

## DECLARE AFFORDABLE HOUSING NUMBER BY JAN 31

- Pass binding resolution
- Can accept DCA calculations; OR
- Propose alternative numbers
  - Follow Statutory methodology
  - Identify flaw in data
  - Risk of challenges, new landscape
- Temporary immunity from litigation

# HISTORY OF AFFORDABLE HOUSING

## MOUNT LAUREL DOCTRINE AND THE FAIR HOUSING ACT

- NJ Supreme Court – 1975 (Mount Laurel I) and 1983 (Mount Laurel II)
  - **Mt. Laurel Doctrine** - Constitutional obligation to create opportunity for affordable housing, accommodate growth
- Fair Housing Act of 1985 – Created COAH
- COAH – Made rules for estimating and meeting local housing need
- Failure to comply – vulnerable to exclusionary zoning / builders remedy

## PRIOR ROUNDS

- Effective rulemaking/enforcement -1987 – 1999
- Failed rule adoptions – 2000 to 2014
- Third Round 2015 – 2025 -- Mount Laurel IV
  - COAH defunct - Courts take over
  - 2021 – Settlement with Fair Share Housing Center
    - Determine housing obligations, projects
    - 3<sup>rd</sup> Round Plan in 2023

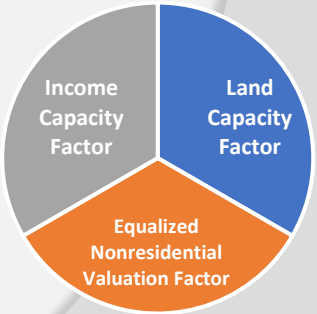
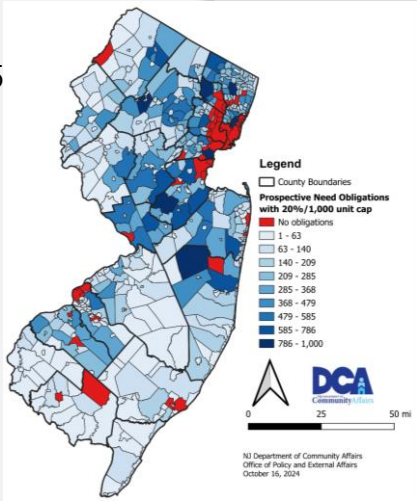
# PROSPECTIVE NEED – NEW CONSTRUCTION NUMBER

## PROSPECTIVE NEED

- Opportunity to be provided through zoning, construction by 2035
  - Calculated at a regional level (Union, Essex, Morris, Warren)
  - Allocated based on NR value, income, available land
  - **173 Units**

## VACANT LAND ADJUSTMENT

- Adjust prospective need to reflect constraints
- Affordable housing capacity of vacant land/farmland
- Not legally or environmentally constrained
- Resulting # of affordable units = RDP
- If RPD < 25% of Prospective Need, use 25% of Prospective Need



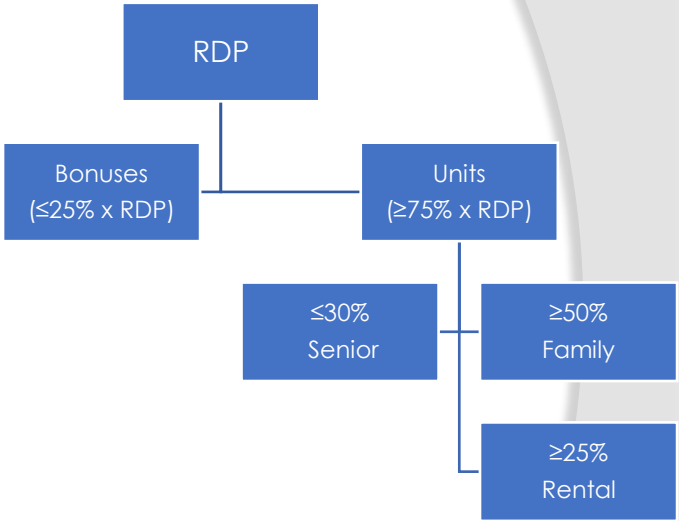
# MEETING THE OBLIGATION

## WAYS TO CREATE AFFORDABLE UNITS

- Development projects and Zoning / Redevelopment plans
  - 15-20% Set-Asides
- Group homes / supportive housing
- Using development fees to create units, increase set asides

## BONUS CREDITS

- Available for actual projects (not zones/RDPs)
- 1 affordable units can count as 1.5 or 2
- Meet up to 25% of Prospective Need / RDP



# NEXT STEPS

## DECLARE AFFORDABLE HOUSING OBLIGATION BY JAN 31

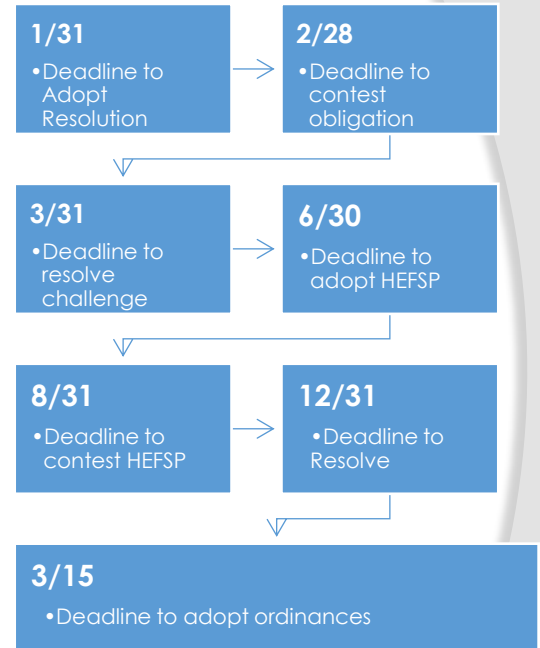
- Accept DCA vs. offer alternative
- Acknowledge adjustment opportunities

## FEBRUARY THROUGH MAY

- Challenges by 2/28, resolve by 3/31
- Refine adjustments
- Negotiate with developers, draft zoning
- Prepare plan

## ADOPT ROUND 4 PLAN BY JUNE 30

- Ordinances in draft form
- Challenges by 8/31, resolve by 12/31



# QUESTIONS, COMMENTS, DISCUSSION