



Borough of Allendale

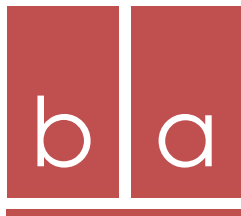
Master Plan

# Housing Element and Fair Share Plan

Approved June 16, 2025







Community Planning  
Land Development and Design  
Landscape Architecture

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## Housing Element and Fair Share Plan

Borough of Allendale  
Bergen County, New Jersey

Prepared for the Borough of Allendale  
Planning Board

BA# 4127.03

The original document was appropriately signed and sealed on June 16, 2025 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners

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# Contents

Executive Summary .....	1
Prior Round Obligation.....	1
Third Round Obligation .....	2
Fourth Round Obligation .....	4
Section 1: Introduction .....	7
What is Affordable Housing? .....	7
What is a Housing Element and Fair Share Plan? .....	11
Allendale’s Affordable Housing History .....	12
Section 2: Housing Element.....	14
2.1: Community Overview.....	15
2.2: Demographic and Population Data .....	19
2.3: Inventory of Housing Stock .....	22
2.4: Housing and Employment Projection.....	26
Section 3: Fair Share Obligation.....	29
3.1: Summary of Fair Share Obligation.....	29
3.2: Structural Conditions Survey.....	29
3.3: Realistic Development Potential (RDP).....	30
Section 4: Fair Share Plan.....	32
4.1: Present Need Obligation (10) .....	32
4.2: Prior Round Obligation.....	32
4.3: Third Round Obligation.....	34
4.4: Fourth Round Obligation.....	39
4.5: Unmet Need (196) .....	41
4.6: Other Provisions .....	42
4.7: Review of Rejected Development Sites.....	43
4.6: Consistency with State Planning Initiatives .....	43
4.7: Crediting Documentation and Ongoing Compliance .....	44
Appendices.....	45

# Executive Summary

The following 2025 Housing Element and Fair Share Plan (HE&FSP) of the Master Plan has been prepared for the Borough of Allendale. This plan is designed to outline the manner in which the Borough will address its affordable housing obligations. Ultimately, these obligations were derived from a variety of different sources, the New Jersey Fair Housing Act, as amended in March of 2024 (hereinafter "FHA II"), the New Jersey Council on Affordable Housing (COAH), and a prior settlement agreement with Fair Share Housing Center (FSHC).

These obligations can be summarized as follows:

Table 1: Affordable Housing Obligation Summary

Category	Obligation
Prior Round Obligation (1987-1999)	137
Third Round Obligation (1999-2025)	308
Fourth Round Obligation (2025-2035)	200
Present Need (Rehabilitation) Obligation	159

## Prior Round Obligation

The Borough received a First Round JOR on February 25, 1991.

COAH assigned the Borough a Prior Round Obligation of 137 units for Rounds 1 and 2. The Borough fully addressed this obligation with a combination of a Regional Contribution Agreement, inclusionary development, 100% affordable development, and supportive and special needs housing as summarized in Table 2.

Table 2: Prior Round (1987-2025) Affordable Housing Components

Project Description- Prior Round	Prior Round Units	Prior Round Bonus	Total	Surplus Credits
<u>Regional Contribution Agreements</u> (RCAs)- Completed <ul style="list-style-type: none"> <li>40 units to Jersey City</li> <li>4 units to Ridgefield Borough</li> </ul>	44	-	44	-
<u>Allendale Brook Associates</u> project located on Carriage Court and Trotters Lane (Block 2101, Lot 9) – Completed	4	-	4	5
<u>Saddle Dale Builders</u> project located on Elm Street (Block 1809, Lot 8) – Completed	3	3	6	-
<u>Garden Homes/The Whitney</u> project (Block 2101, Lots 1, 2, 3, 5, 6, 7, 8) – Completed	-	-	0	12
<u>Allendale Senior Housing</u> project located on Cebak Court (Block 1708, Lots 1 and 9) – Completed	16	-	16	-
<u>Orchard Commons</u> supportive special needs housing project at (Block 1806, Lot 10.01) – Completed	10	10	20	-
<u>Crescent Commons</u> (Block 904, Lots 10.01, 10.02, 14, 31) 26 out of 33 affordable units – Completed	26	21	47	7
<b>Total: 137 Units Prior Round</b>	<b>103</b>	<b>34</b>	<b>137</b>	<b>+24</b>

All affordable units addressing the Prior Round are completed.

In 2008, COAH approved the Borough's Housing Element and Fair Share Plan and adopted a resolution certifying that plan.

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### Third Round Obligation

On March 10, 2008, in a case commonly referred to as Mount Laurel IV, the Supreme Court declared COAH moribund and established a procedure for municipalities to secure approval of a Housing Element and Fair Share Plan for Round 3. Allendale voluntarily participated in the new procedure to pursue approval of a Round 3 plan for a second time based on the laws established in Mount Laurel IV.

In September 15, 2017, in the context of a declaratory relief action filed pursuant to Mount Laurel IV, the Borough entered into a Settlement Agreement with Fair Share Housing Center (FSHC). After the Planning Board adopted and the Borough endorsed a

Housing Element and Fair Share Plan in 2018, the Court entered a Judgment of Compliance and Repose June 27, 2019 approving this affordable housing plan.

The Housing Element and Fair Share Plan included an application for a Vacant Land Adjustment, which, if approved, would result in a Realistic Development Potential of 54 units and an unmet need of 254.

The Housing Element and Fair Share Plan set forth the various mechanisms to address the Borough's RDP of 54. As illustrated by the chart below, while there are some minor changes in how we apply the crediting from the implementation of the Third Round Plan, the Borough has fully satisfied its RDP for this Round.

Table 3: Third Round (1999-2025) Affordable Housing Components

Project Description	Third Round Units	Third Round Bonus	Total Third Round Credits	Surplus Credits
<u>Allendale Brook Associates</u> inclusionary for sale development- Carriage Court and Trotters Lane (Block 2101, Lot 9) – Completed <ul style="list-style-type: none"> <li>5 of the 9 units will be carried over as surplus to Third Round</li> </ul>	5	-	5	-
<u>Garden Homes/Whitney</u> project (Block 2101, Lots 1 through 3 & 5 through 8) – Completed <ul style="list-style-type: none"> <li>12 family affordable rental units</li> </ul>	12	12	24	-
<u>Former Farm</u> project (Block 506, Lots 4.07 and 4.08) – completed <ul style="list-style-type: none"> <li>2 family affordable rentals.</li> </ul>	2	1 cap	3	-
<u>Crescent Commons</u> project - completed <ul style="list-style-type: none"> <li>5 family affordable for sale units + 2 supportive shared living units</li> </ul>	7	-	7	-
<u>220 West Crescent Avenue</u> project (aka The Vale) – completed <ul style="list-style-type: none"> <li>6 total affordable non-age-restricted rental units</li> </ul>	5 applied	-	5	1
<u>Eastern Christian Group Home 1</u> project (Block 910, Lot 3) – completed <ul style="list-style-type: none"> <li>5 completed bedrooms</li> </ul>	5	-	5	-
<u>Eastern Christian Group Home 2</u> project (Block 1005, Lot 4) – completed <ul style="list-style-type: none"> <li>5 completed bedrooms</li> </ul>	5	-	5	-
<b>TOTAL: 54 credits to address RDP</b>	<b>41</b>	<b>13</b>	<b>54</b>	<b>+1</b>

While the Borough's received an adjustment to their 308 new construction obligation for Rounds 1 through 3 due to the lack of adequate vacant land, the applicable rules required the Third Round Plan to include various programs towards what is termed as unmet need. Unmet need is the remainder when the 54-unit RDP is subtracted from the total Third need of 308 which leaves a remainder of 254 units.

In the Third Round, the Borough implemented zoning programs of overlay zones and a mandatory set aside ordinance, to capture units towards this need if properties were residentially developed.

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#### Fourth Round Obligation

For the reasons set forth below, the Borough's rehabilitation obligation, also referred to as its Present Need is 10 and its Round 4 Prospective Need is 200.

##### *Present Need/Rehabilitation Obligation*

Although the Department of Community Affairs (DCA) determined a Present Need (Rehabilitation) obligation for the Round Four of 159 units, the Borough exercised its right to conduct a Structural Conditions Survey to more accurately reflect the number of units in need of rehabilitation in Allendale. Accordingly, the Borough conducted a Structural Conditions Survey based on the criteria established in N.J.A.C. 5:93-5.2 and N.J.A.C. 5:97-6.2, which reference "Appendix C" of the rule. Allendale's Construction Official completed an exterior survey of the Borough between 12/26/24 to 1/10/25. That survey demonstrated that only 10 units needed repair-not 159. Although Allendale submitted this survey to the Program and contended that its Present need, also known as its rehabilitation obligation, should be reduced to 10, the Program took the position that it would only consider adjustments to the Present Need when municipalities submitted their Housing Element and Fair Share Plans for review. Accordingly, this plan includes the structural conditions survey previously submitted in support of the proposition that its Present Need is 10.

##### *Round 4 Prospective Need Obligation*

As noted above, the Fair Housing Act was amended last year, and this plan refers to the amended FHA as FHA II. FHA II abolished COAH and created a new process that involved the creation of a new entity known as the Affordable Housing Dispute Resolution Program (the Program).

FHA-II directed the DCA to calculate the Present Need (also referred to as the Rehabilitation obligation) and the Prospective Need (also known as the new construction obligation) for Round Four based upon the standards set forth in the Act. The DCA issued its report on October 18, 2024, and, in accordance with the Act, made clear that the obligations generated by the report were advisory only and non-binding. For Allendale, the DCA Report identified a Present Need of 159 and a Prospective Round Four Need of 260.

Since the DCA report is non-binding, each municipality had the opportunity to study and define why its obligations should be different based on the standards in the Act. The Borough conducted such an analysis and determined that the DCA had overestimated the amount of developable land in the Land Capacity Factor calculation, which is one of three factors FHA II requires to be used to allocate the regional need to municipalities in each region. The Borough adopted a binding resolution on January 23, 2025, which identified an adjustment to the Present Need of 159 identified by DCA, to 10 units based upon a study by the Building Official in compliance with applicable rules for adjusting the rehabilitation obligation. In addition, the Borough contended that its Round 4 prospective need should be reduced to 182 based upon DCA's overestimate of land that is developable in conjunction with determining the Land Capacity Allocation Factor.

In accordance with the procedures established by FHA II, FSHC objected to the reduction in the Round 4 prospective need that would result if the Borough's 182 determination was approved. In accordance with FHA II, a judge assigned by "the Program"-an entity created by FHA II, oversaw mediation between the Borough and FSHC.

Mediation culminated in a mediation Agreement, dated April 21, 2025, setting the Borough's Round 4 Prospective Need at 200. On May 5, 2025, a vicinage area judge approved that number.

#### *Vacant Land Adjustment*

Rehabilitation) obligation for the Round Four of 159 units, the Borough reserved the right to conduct a Structural Conditions Survey to more accurately reflect the number of units in need of

rehabilitationrehabilitationrehabilitationrehabilitationrehabilitationFurthermore, the January 23, 2025 resolution noted that the Borough reserved the right in accordance with applicable regulations, to seek an adjustment of its Fourth Round Prospective Need number based upon a lack of vacant, developable and suitable land. FHA II authorizes municipalities to rely on COAH standards that do not contradict FHA II and COAH permits municipalities to secure adjustments to their obligations. Moreover, in apparent recognition of the burdens created by the preparation of a vacant land adjustment, COAH permits municipalities to rely upon a prior vacant land adjustment. The Borough is exercising that right which resulted in the Court approving a vacant land adjustment that set the Borough's RDP at 26. In a further effort to eliminate any possible objection to its claim for an adjustment, the Borough investigated whether there were any changed circumstances that have occurred since the Court approved the Borough's entitlement to a vacant land adjustment that might warrant recalibrating the RDP.

Although there are no such changed circumstances, the Borough acknowledges that there is the potential to redevelop an existing restaurant property in the next housing cycle and so it will accept an RDP of 4 attributable to this site. This analysis is covered in more detail in Section 3.

The remainder of this 2025 HE&FSP is divided into the following sections:

❖ Section 1: Introduction

The first section of the 2025 HE&FSP provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

❖ Section 2: Housing Element

Section 2 contains the Housing Element for the Borough of Allendale. It offers an overview of its community, as well as back information regarding its population, housing, and employment characteristics. It also provides a projection of the Borough's housing stock and its employment projections.

❖ Section 3: Fair Share Obligation

Next, Section 3 provides an overview of the Borough's fair share obligation. It includes a brief history of the methodologies utilized to calculate affordable housing obligations throughout the state.

❖ Section 4: Fair Share Plan

Finally, Section 4 details the manner in which the Borough has addressed its prior obligations and how it will address its Fourth Round prospective need obligations.

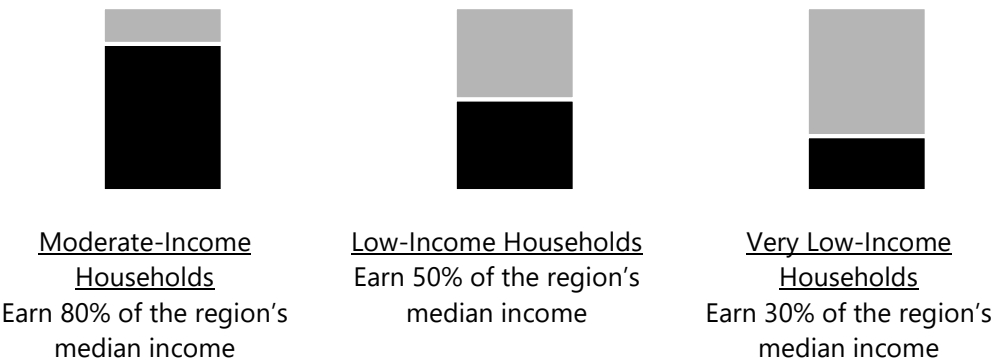
# Section 1: Introduction

The following section provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

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## What is Affordable Housing?

Affordable housing is income-restricted housing that is available for sale or for rent. Most often, affordable housing is restricted to very-low, low-, and moderate-income households. These categories are derived from the state’s median regional income limits. New Jersey is delineated into six different affordable housing regions. Allendale is located in Region 1 which includes Bergen, Hudson, Passaic, and Sussex Counties.



Regional income limitations are typically updated every year, with different categories established for varying household sizes. The table below identifies the 2024 regional income limits by household size for Region 1. As shown, a three-person family with a total household income of no greater than \$86,697 could qualify for affordable housing in the Borough’s region.

Table 4: 2024 Affordable Housing Region 1 Income Limits by Household Size

Income Level	2 Person	3 Person	4 Person	5 Person
Median	\$96,329	\$108,371	\$120,412	\$130,045
Moderate	\$77,064	\$86,697	\$96,329	\$104,036
Low	\$48,165	\$54,185	\$60,206	\$65,022
Very-Low	\$28,899	\$32,511	\$37,568	\$39,013

One of the most common forms of affordable housing is inclusionary development, in which a certain percentage of units within a multifamily development are reserved for affordable housing. Nevertheless, affordable housing can be found in a variety of other forms, including but not limited to: one hundred percent affordable housing developments, deed-restricted accessory apartments, assisted living facilities, alternating

arrangements such as supportive housing or group homes, and age restricted housing.



What is the History of Affordable Housing in New Jersey?

The history of affordable housing in New Jersey can be traced back to 1975, when the Supreme Court first decided in *So. Burlington Cty. NAACP v. Borough of Mount Laurel* (known as Mount Laurel I) that every developing municipality throughout New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent decision in 1983 (known as Mount Laurel II), the Court acknowledged that the vast majority of municipalities had ignored their constitutional obligation to provide affordable housing.

As such, the Court refined this obligation to establish that every municipality had an obligation, although those within the growth area of the State Development and Redevelopment Plan (SDRP) had a greater obligation. The Court also called for the state legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. This decision, along with the trial court decisions implementing this decision, resulted in the enactment of the New Jersey Fair Housing Act in 1985. This Legislation created the New Jersey Council on Affordable Housing (COAH), and assigned COAH primary jurisdiction" to implement the policies embodied in that Legislation. To implement its policies, the Legislature charged COAH with adopting regulations from "time to time." Since a grant of substantive certification by COAH, like the entry of a Judgment of Repose from a court, gave municipalities only six years or protection, it was particularly important for COAH to adopt regulations from time to time. In this way, at any time, a municipality would have available to it a body of regulations by which it could determine its obligations and select from a menu of techniques to comply with its obligations.

In 1986, COAH adopted regulations for the First Round obligation, which covered the years 1987 to

1993. In 1994, COAH adopted Second Round regulations that established cumulative fair share numbers for Rounds 1 and 2 (19870-1999). In 2004, COAH adopted the first set of Round 3 regulations. In contrast to the regulations in Rounds 1 and 2 that established fair shares based upon a determination of regions, the regional need and the allocation of the regional need, the Round 3 regulations took a "growth share" approach to determining a municipality's fair share.

In January 2007, the Appellate Division invalidated various aspects of these rules and remanded considerable portions of the rules to COAH with the directive to adopt revised regulations.

In May 2008, COAH adopted revised Third Round regulations which were published and became effective on June 2, 2008. Coincident to this adoption, COAH proposed amendments to the rules they had just adopted, which subsequently went into effect in October 2008. The second iteration of the Round 3 regulations, like the first, relied on a growth share approach.

On October 2010, the Appellate Division invalidated the second version of the Round 3 regulations largely because COAH had once again taken a growth share approach. The Appellate Division gave COAH five months to adopt new regulations that established fair share obligations in the manner that it established regulations in Rounds 1 and 2 and not through growth share.

In September 2013, the Supreme Court decided the challenges to the Appellate Division's rulings in October of 2010. The Supreme Court affirmed the Appellate Division's decision and again gave COAH five months to adopt new regulations that established fair share obligations in the manner that it established regulations in Rounds 1 and 2 and not through growth share.

COAH proposed regulations similar to those it adopted in Rounds 1 and 2 to establish fair share obligations. It considered thousands of comments to its proposed regulations, and it scheduled a hearing to consider the adoption of Round 3 regulations. However, when it came time to vote on the regulations, COAH deadlocked 3-3. More importantly, COAH took no action in the wake of that deadlock to break the deadlock.

In response to the deadlock and the Supreme Court's ruling that there would be consequences if COAH failed to adopt lawful Round 3 regulations, Fair Share Housing Center, who was a party in both the 2010 and 2013 cases, filed a motion in aid of litigants' rights with the New Jersey Supreme Court.

The Court heard the motion on January 6, 2015, and issued its ruling on March 10, 2015. In that decision, commonly referred to as "Mount Laurel IV", the Court ruled that COAH was "moribund" and consequently turned over the tasks of implementing the Fair Housing Act back to the trial courts where it had originally been prior to the creation of COAH in 1985. In addition, Mount Laurel IV created a process in which municipalities may

secure protection from exclusionary zoning suits by filing a declaratory judgment action seeking a declaration that a Housing Element and Fair Share Plan is constitutionally compliant and applying for immunity while the court is processing the application for approval of a Housing Element and Fair Share Plan.

On January 18, 2017, the Supreme Court addressed an issue unresolved up to that point: namely, what if any is the responsibility of municipalities with respect to the so-called "gap period." The gap period is the time between 1999 and 2015, when all agree Round 4 would commence. The Court expanded the obligation of municipalities to address the present and prospective needs by requiring them to accept an obligation for affordable housing for the gap period.

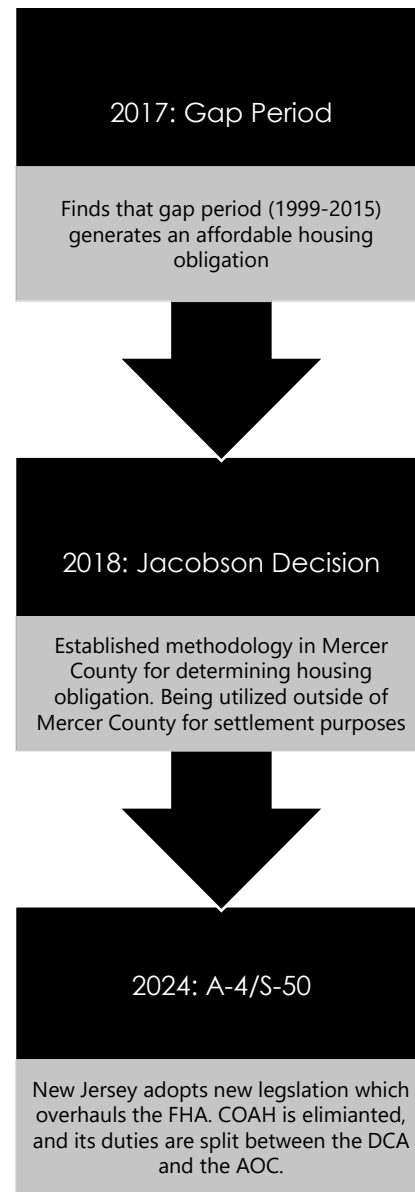
In Mount Laurel IV, the Supreme Court ended its opinion as follows:

*"It is our hope that an administrative remedy will again become an option for those proactive municipalities that wish to use such means to obtain a determination of their housing obligations and the manner in which those obligations can be satisfied."*

However, before COAH could be reconstituted and against the backdrop of litigation seeking to compel Governor Murphy to comply with the Fair Housing Act and nominate members to the COAH Board, the Senate President and Speaker of the House announced that there would be new legislation that would abolish COAH. That announcement was made in December of 2024.

On March 20, 2024, after enormous pressure was applied to support new legislation, the Legislature adopted, and the Governor signed an amendment to the Fair Housing Act to abolish COAH and make substantial changes. This plan refers to the Fair Housing act as amended as FHA II.

FHA II established standards for determining fair share obligations and assigned the DCA with the task of preparing a non-binding report setting forth the fair share of every municipality based on those standards. FHA II also created the Affordable Housing Dispute Resolution Program (the "Program") and tasked the Program with trying to



resolve disputes over the obligations generated by the fair share formula embedded in the Act in the first instances and then with the affordable housing plans municipalities adopted and endorsed to comply with their obligations in the second instance.

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## What is a Housing Element and Fair Share Plan?

A Housing Element and Fair Share Plan (HE&FSP) serves as the blueprint for how a municipality will address its fair share of affordable housing. It is designed to help a community broaden the accessibility of affordable housing.

While technically a discretionary component of a municipal master plan, a HE&FSP is nevertheless an effectively obligatory plan element. As established by NJSA 40:55D-62.a of the Municipal Land Use Law (MLUL), a municipality must have an adopted HE&FSP in order to enact its zoning ordinance. Thus, from a public policy perspective, a HE&FSP is an essential community document. Moreover, without a HE&FSP, a municipality may be susceptible to a builder's remedy lawsuit in which a developer could file suit and seek to force the municipality to rezone a specific parcel to permit housing at higher densities than a municipality would otherwise allow, provided a certain percentage of units are reserved as affordable.

The **Municipal Land Use Law (MLUL)** is the enabling legislation for municipal land use and development, planning, and zoning for the State of New Jersey.

The current version of the Fair Housing Act – FHA II – requires a housing element to include the following components:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
2. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing;

6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
7. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission;
8. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, 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;
9. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

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### Allendale's Affordable Housing History

The following summarizes the Borough's numerous efforts to address affordable housing in Allendale as obtained from the narrative provided in the 2018 Housing Plan report prepared by Clark Caton Hintz.

In 1988, Allendale prepared a Housing Element. On January 17, 1991, the Borough amended the Housing Element following a builder's remedy lawsuit. The Borough's amended First Round Housing Element and Fair Share Plan was reviewed by the Superior Court and the plan received a Judgment of Compliance on February 25, 1991, which granted the Borough a six-year period of repose.

Allendale Borough petitioned COAH with a Second-Round plan in 1997 and received Second Round Substantive Certification from COAH on October 1, 2003.

It received Third Round Substantive Certification from COAH for its Third Round Housing Element and Fair Share Plan on October 14, 2009. The Borough adopted its Third Round Housing Element and Fair Share Plan on December 29, 2008, and was granted Third Round Substantive Certification from COAH on October 14, 2009.

On April 15, 2010, the Borough adopted an amended Third Round Plan to increase the number of affordable housing units generated at the Crescent Commons site. Although the Borough petitioned COAH on May 7, 2010 with its amended Third Round plan, COAH failed to act on the plan amendment prior to the Appellate Division's 2010 invalidation of COAH's growth share regulations.

To comply with the March 10, 2015 Mt. Laurel IV decision, Allendale petitioned the Superior Court on July 7, 2015, for a Declaratory Judgment and temporary immunity from builder's remedy suits so it could secure approval of a Round 3 Housing Element and Fair Share Plan based upon the laws created by Mount Laurel IV. On December 10, 2015, in the context of this suit and pursuant to an order dated November 12, 2015 entered by Judge Toskos in this suit, the Borough submitted a Summary Third Round Fair Share Plan. On January 27, 2016, the Borough filed an amended Summary Plan to the Court to address the fair share obligation calculated by Econsult Solutions, Inc. ("Econsult" or "ESI") in its December 30, 2015 report.

In August and December of 2016, the Borough submitted motions to the Court for approval of second and third amendments to its 2010 amended Spending Plan in order to spend money from its Affordable Housing Trust Fund on the creation of affordable housing at sites that were not included in an approved Housing Element and Fair Share Plan, in accordance with N.J.A.C. 5:97-8.11. Those sites specifically included two new group homes operated by Eastern Christian Children's Retreat ("Eastern Christian") and the 220 West Crescent Avenue senior rental development. The Court approved both 2016 Spending Plan amendments on September 20, 2016 and January 5, 2017.

In summary, the Borough has a demonstrated history of compliance as evidenced by the receipt of a Judgment of Repose in Round 1, a grant of Substantive Certification in Round 2, a Judgment of Repose in Round 3 followed by the entry of a second Judgment of Repose in Round 3, dated June 27, 2019, based upon the laws established by Mount Laurel IV.

## Section 2: Housing Element

The following section provides the housing element for the Borough of Allendale. It offers an overview of its community, as well as back information regarding its population, housing, and employment characteristics. It also provides a projection of the Borough's housing stock and its employment projections.

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### *Information Regarding Data Sources*

*The information contained in Section 2.2 entitled "Population Demographics," Section 2.3 entitled "Inventory of Housing Stock," Section 2.4 entitled "Employment Demographics," and Section 2.5 entitled "Housing & Employment Projections" was obtained from a variety of publicly available data sources. These are summarized below:*

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| <p>1. United States Decennial Census</p> <p>The US Census is described in Article I, Section 2 of the Constitution of the United States, which calls for an enumeration of the people every ten years for the apportionment of seats in the House of Representatives. Since the time of the first Census conducted in 1790, it has become the leading source of data about the nation's people and economy. Please note that all incomes reported in the Census are adjusted for inflation.</p>  | <p>regarding births, deaths, marriages, domestic partnerships, and civil unions.</p>   |
| <p>2. American Community Survey (ACS)</p> <p>The American Community Survey is a nationwide ongoing survey conducted by the US Census Bureau. The ACS gathers information previously contained only in the long form version of the decennial census, such as age, ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics. It relies upon random sampling to provide ongoing, monthly data collection. Please note that all incomes reported in the ACS are adjusted for inflation.</p> | <p>4. New Jersey Department of Community Affairs (DCA)</p> <p>The New Jersey Department of Community Affairs is a governmental agency of the State of New Jersey. Its function is to provide administrative guidance, financial support, and technical assistance to local governments, community development organizations, businesses, and individuals to improve the quality of life in New Jersey.</p> |
| <p>3. New Jersey Department of Health</p> <p>The New Jersey Department of Health is a governmental agency of the State of New Jersey. The department contains the Office of Vital Statistics and Registry, which gathers data</p>  | <p>5. New Jersey Department of Labor and Workforce Development</p> <p>The New Jersey Department of Labor and Workforce Development is a governmental agency of the State of New Jersey. One of its roles is to collect labor market information regarding employment and wages throughout the state.</p>   |

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## 2.1: Community Overview

The Borough of Allendale is located in the northwesterly portion of Bergen County. It is bounded by five municipalities, including: the Borough of Ramsey to the north; the Borough of Saddle River to the east; the Borough of Waldwick to the south, the Borough of Wyckoff to the southwest and the Borough of Mahwah to the west. Borough is essentially a fully developed community with very little vacant land remaining for development.

The total land area of the Borough is 1994.13 acres (1683.14 acres without including streets/roads). The Borough currently contains 2,515 parcels. The majority of the Borough is primarily characterized by residential development. In fact, over 1153 acres of the municipality's total land area (58 percent) consists of residential uses.

Commercial land uses account for a total of 154.62 acres, or approximately 7.75 percent of the Borough's total land use area. Industrial land use constitutes the largest commercial use with 24 parcels covering 104 acres.

Land uses under the Public/Semi-Public classification comprise the second largest land use category in Allendale, accounting for 327 acres, or 16.4 percent of the Borough's total land area. Semi-public land uses, including places of worship and other non-profit organizations, account for 1 percent of the Borough's total land area, while schools comprise an additional 3 percent.

The Borough contains one Class I rail line that traverses the Borough from North to South. The rail line covers more than 21 acres in the Borough.

Table 5: Existing Land Uses

Land Use		Acres	% of Total Acres	Parcels	% of Total Parcels
Residential	Low Density	1136.22	56.98%	1884	74.9%
	Multifamily	6.20	0.31%	426	16.9%
	Multifamily Assisted Living	10.64	0.53%	1	0.0%
Commercial	Commercial	24.36	1.22%	41	1.6%
	Farm/Nursery/Golf Course	25.86	1.30%	9	0.4%
Public/Semi-Public	Municipal Property	241.15	12.09%	37	1.5%
	Public School	64.01	3.21%	6	0.2%
	Church & Charitable	21.77	1.09%	6	0.2%
Other	Vacant and other properties	25.30	1.27%	65	2.6%
	Industrial	104.40	5.24%	24	1.0%
	Rail	21.18	1.06%	9	0.4%
	Other Exempt	2.06	0.10%	7	0.3%

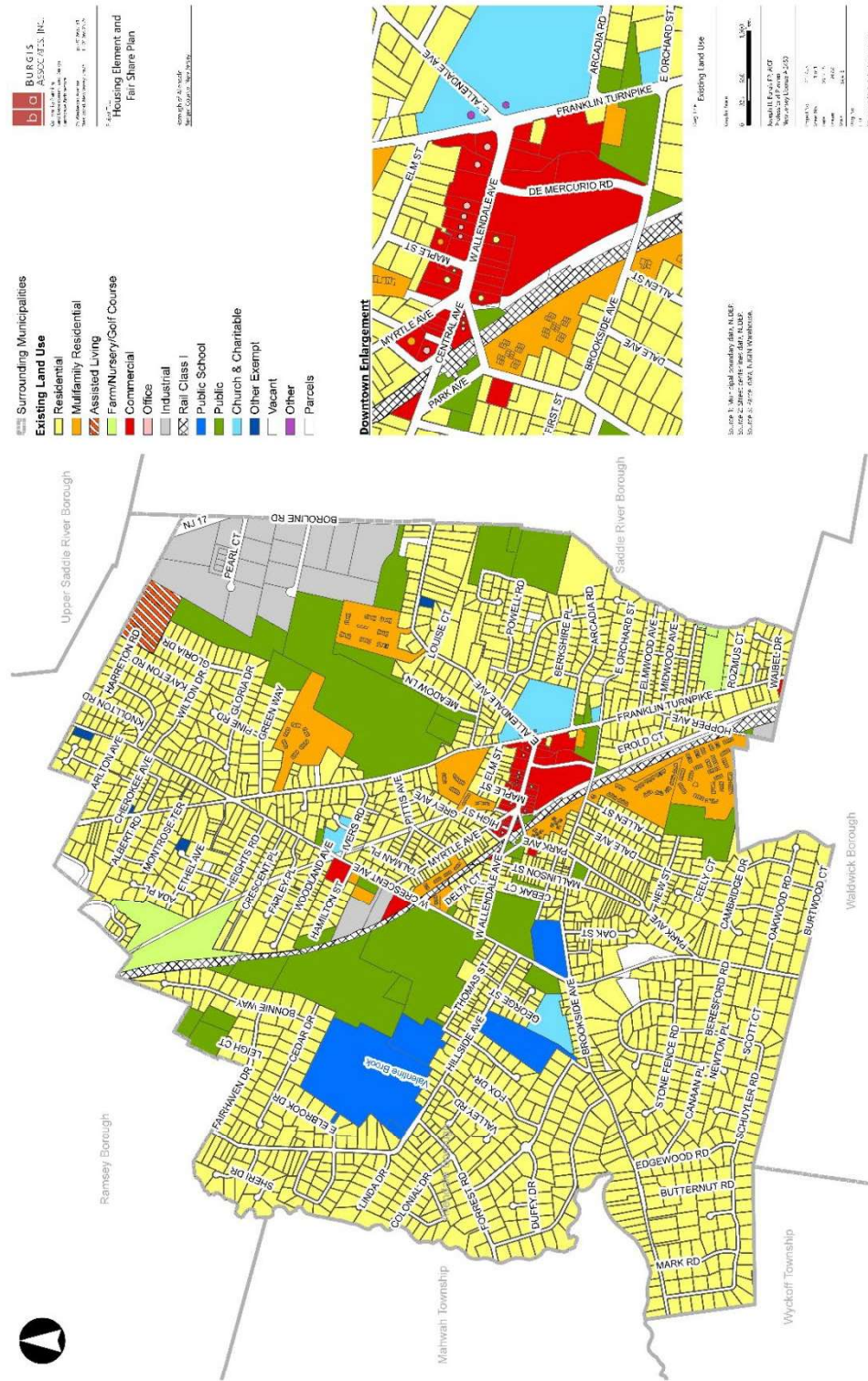
Source: ArcGIS Calculations

Regional access to the Borough is provided by several county and state roadways. Franklin Turnpike, Crescent Avenue, West Allendale Avenue are county roadways which provide access to the surrounding area. Linkages to the state's regional highway network are also provided by Route 17 to the east and Garden State Parkway in the Borough of Paramus to the south, Interstate Route 287 in the Borough of Mahwah to the north.

Map 1: Community Overview



Map 2: Existing Land Use



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## 2.2: Demographic and Population Data

Analyzing demographic and population data is a necessary and integral step in planning for the future needs and demands of a community. As such, the following section outlines the demographic changes experienced by the Borough of Allendale over the past several decades.

This section is an analysis of demographic information is obtained from the 2010 Decennial Census as well as the 2010 and 2023 American Community Survey (ACS) 5-year estimates. The ACS data consists of estimates based upon data averages across a five-year span, otherwise known as “period” estimates. They are not actual counts, rather they are representative of data collected over a period of time and thus may not be directly comparable to decennial census figures. For example, the 2023 ACS includes data collected from 2019, 2020, 2021, 2022 and 2023. The following provides an assessment of population size, rate of population growth, age characteristics, as well as household size and income levels. Each of these items is described in detail below. This information is vital for the Borough to carefully plan for the current and future needs of its residents and the community.

### Population Changes

The Borough experienced a slight decline in population from 1970 to the 1990s. The reduction in the population at that time could be attributable to the aging population and homes with children aging into adulthood and moving onto new locations. The Borough regained more than double the losses by the year 2000 only to lose half of them again between 2000 and 2010. The population slightly increased from then through the year 2023.

Table 6: Population Growth, 1950-2023

Year	Population	Population Change	Percent Change
1950	2,409		
1960	4,092	1,683	69.86%
1970	6,240	2,148	52.49%
1980	5,901	-339	-5.43%
1990	5,900	-1	-0.02%
2000	6,699	799	13.54%
2010	6,505	-194	-2.90%
2020	6,757	252	3.87%
2023	6,820	63	0.93%

*Source: US Census Bureau; 2023 American Community Survey Five-Year Estimate*

### Age Characteristics

As shown in the age distribution table below, the Borough's age characteristics show a slight increase in median age from 44.3 years in 2010 to 45.7 according to the 2023 ACS data. The largest age cohort in 2023 represented 20.1% of the population (45-54 age group) was also the largest cohort in 2010 (18.2%). The age groups showing declines between the 2010 census and the 2023 ACS data appear to be 5-9, 20-24, 35-44, 55-59, and 85 and older cohorts.

Table 7: Age Characteristics, 2010-2023

Age Group	2010		2023	
	Pop	%	Pop	%
Under 5	207	3.2%	350	5.1%
5 to 9	667	10.3%	514	7.5%
10 to 14	595	9.2%	600	8.8%
15 to 19	371	5.7%	615	9.0%
20 to 24	354	5.5%	121	1.8%
25 to 34	209	3.2%	316	4.6%
35 to 44	917	14.1%	753	11.0%
45 to 54	1,182	18.2%	1,368	20.1%
55 to 59	554	8.5%	533	7.8%
60 to 64	312	4.8%	414	6.1%
65 to 74	435	6.7%	641	9.3%
75 to 84	385	5.9%	404	5.9%
85 +	301	4.6%	191	2.8%
<b>Total</b>	6,489	95.2%	6,820	99.8%
<b>Median Age</b>	<b>44.3</b>		<b>45.7</b>	

Sources: 2010 & 2023 American Community Survey 5-Year Estimates.

### Household Tenure and Occupancy

The data shown on the following table indicates that the breakdown between the share of owner occupied and rental occupied units has remained largely the same since 2010 with the majority of units being owner occupied. Housing vacancies have decreased over this time frame from 9.72% in 2010 to 5.30% in 2023.

Table 8: Owner-Occupied and Renter-Occupied Units, 2010-2023

	2010		2023	
Category	# of Units	%	# of Units	%
Owner Occupied	1,884	83.6%	1,805	72.1%
Renter Occupied	151	6.7%	527	21.0%
Vacant Units	219	9.7%	173	6.9%
<b>Total</b>	<b>2,254</b>	<b>100.0%</b>	<b>2,505</b>	<b>100.0%</b>

Source: US Census Bureau; 2023 American Community Survey Five-Year Estimate

### Average Household Size

The census data shown below presents how the Borough's average household size decreased from 3.0 in 2010 to 2.88 in 2023 while the Bergen County average household size remained somewhat steady at 2.66 over the same time period. The total population increased from 2010 to 2023, while the number of households slightly increased over the same span.

Table 9: Average Household Sizes, 2010-2023

Year	Total Population	Number of Households	Average Household Size Allendale	Average Household Size Bergen County
2010	6,489	2,035	3.00	2.69
2023	6,820	2,332	2.88	2.66

Sources: 2010 & 2023 American Community Survey 5-Year Estimates.

### Household Income

The following data from the 1999 census and the 2023 ACS indicates that the median household income in Allendale increased more than 50% from 1999 to 2023 increasing from \$105,704 to \$156,992.

Table 10: Household Incomes, 1999-2023

Income Category	1999		2023*	
	Number	%	Number	%
less than \$10,000	15	0.7%	132	5.6%
\$10,000 to \$14,999	20	0.9%	4	0.2%
\$15,000 to \$24,999	68	3.2%	121	5.2%
\$25,000 to \$ 34,999	95	4.5%	56	2.4%
\$35,000 to \$ 49,999	219	10.4%	30	1.3%
\$50,000 to \$74,999	357	16.9%	177	7.6%
\$75,000 to \$99,999	205	9.7%	151	6.5%
\$100,000 to \$149,999	465	22.0%	444	19%
\$150,000 to \$199,000	207	9.8%	1217	52.2%
\$200,000 or more	462	21.9%		
Total	2,113	100.0%	2,332	100.0%
Median Income (Household)	<b>\$105,704</b>		<b>\$156,992</b>	

Source: US Census Bureau; 2023 American Community Survey 5-Year Estimates.

### 2.3: Inventory of Housing Stock

This section of the analysis provides an inventory of the Borough's housing stock. The inventory details housing characteristics such as age, condition, purchase/rental value and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated. As previously noted, the latest information from the American Community Survey consists of five-year estimates by the Census Bureau, not actual counts and may not be directly comparable to census figures.

#### Number of Housing Units

As illustrated in the table below, the overall number of housing units within the Borough has continued to increase from the 1980s through 2023. Understandably, the slowest percentage increase in numbers was between 2000 and 2010 during the Great Recession.

Table 11: Housing Units, 1980-2023

Year	Housing Units	Numerical Change	% Change
1980	1,700	-	-
1990	1,915	215	12.65%
2000	2,143	228	11.91%
2010	2,254	111	5.18%
2023	2,505	251	11.16%

Source: US Census Bureau, 2023 ACS Five-Year Estimate

### Units in Structure for Occupied Units

Information regarding the number of dwelling units in housing structures provides insights into the types of housing which exist throughout the Borough. The following table offers insights into the unit-composition of the Borough's structures since 2010.

The Borough's housing stock has historically been comprised of single-family detached and attached dwellings. The 2023 ACS estimate data provided in the table below shows a total of 1,767 single-family detached dwellings which amounts to 71 percent of all housing units in the Borough. This percentage is a decrease from 2010 when single-family dwellings accounted for approximately 84 percent. There was an increase from 2010 to 2023 in the number of structures containing 10 units or more which represents 18 percent of overall units.

Table 12: Units in Structure, 2010-2023

Units in Structure	2010		2023	
	No.	%	No.	%
Single Family, Detached	1,705	83.80%	1,767	70.5%
Single Family, Attached	187	9.20%	203	8.1%
2	67	3.30%	38	1.5%
3 or 4	33	1.60%	12	0.5%
5 to 9	22	1.10%	14	0.6%
10 +	18	0.90%	471	18.8%
Mobile Home	0	0.00%	0	0.00%
Other	0	0.00%	0	0.00%

Source: US Census Bureau; 2023 American Community Survey Five-Year Estimates.

### Purchase and Rental Value of Housing Units

The following two tables identify purchase values and rental values for the specified owner-occupied and renter-occupied units in Tenafly.

As shown in Table 6, the purchase values of the Borough's owner-occupied housing stock have typically exceeded those of the State of New Jersey and have been somewhat commensurate to those of Bergen County. Over the past twenty-three years, the median value of the Borough's owner-occupied housing stock is estimated to have increased approximately 128.5%, from \$256,500 in 2000 to \$586,200 in 2023. This represents a lower percentage increase than that of the County (145.8%) and the State (169.9%).

Until recently, the median contract rental value in the borough has typically remained higher than both Bergen County and the State of New Jersey. However, the 2023 ACS estimates that the median contract rent for the County has surpassed that of the Borough's. Over the past twenty-three years, the median gross rent increased approximately 65.7%. This represents a lower percentage increase than that experienced by the County (99.9%) and the State (99.8%).

Table 13: Value of Owner-Occupied Units, 2000-2023

		2000		2010		2023
Value Range	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000	0	0.0%	14	0.7%	24	1.1%
\$50,000 to \$99,999	0	0.0%	16	0.8%	0	0.0%
\$100,000 to \$149,999	47	2.6%	0	0.0%	0	0.0%
\$150,000 to \$199,999	313	17.5%	14	0.7%	0	0.0%
\$200,000 to \$299,999	899	50.3%	108	5.5%	72	3.5%
\$300,000 to \$499,999	500	28.0%	936	47.8%	566	27.2%
\$500,000 to \$999,999	29	1.6%	849	43.4%	1398	67.2%
\$1,000,000 or More	0	0.0%	22	1.1%	21	1.0%
Total	1,788	100.0%	1,959	100.0%	2,081	100.0%
Borough Median Value		\$256,500		\$484,100		\$586,200
Bergen County Median Value		\$250,300		\$482,300		\$615,300
New Jersey Median Value		\$170,800		\$357,000		\$461,000

Source: US Census Bureau; 2010 and 2023 American Community Survey Five-Year Estimates.

Table 84: Specified Renter Occupied Housing Units by Rent, 2000-2023

		2000		2010		2023
Value Range	Number	Percent	Number	Percent	Number	Percent
Less than \$200	14	2.2%	0	0.0%	0	0.0%
\$200 to \$299	12	1.9%	0	0.0%	0	0.0%
\$300 to \$499	0	0.0%	0	0.0%	0	0.0%
\$500 to \$749	81	12.9%	0	0.0%	0	0.0%
\$750 to \$999	170	27.0%	90	12.9%	0	0.0%
\$1,000 to \$1,499	269	42.7%	230	32.9%	259	28.3%
\$1,500 to \$1,999	63	10.0%	234	33.4%	431	47.1%
\$2,000 or more	0	0.0%	88	12.6%	225	24.6%
No Cash Rent	21	3.3%	58	8.3%	0	0.0%
Total	630	100.0%	700	100.0%	915	100.0%
Borough Median Value		\$1,044		\$1,502		\$1,730
Bergen County Median Value		\$872		\$1,236		\$1,743
New Jersey Median Value		\$751		\$1,092		\$1,498

Source: US Census Bureau; 2010 and 2023 American Community Survey Five-Year Estimates.

### Deficient Housing Units

Neither the Census nor the ACS classify housing units as deficient. However, the Fair Housing Act defines a “deficient housing unit” as housing which: is over fifty years old and overcrowded; lacks complete plumbing, or; lacks complete kitchen facilities.

Accordingly, the following tables are intended to provide insights into the extent to which the Borough has deficient housing units. Table 12 examines the extent to which there is overcrowding in the Borough’s housing stock. Overcrowding is typically associated with housing units with more than one occupant per room. As shown, the estimated number of occupied housing units considered to be overcrowded is negligible

Table 15: Occupants Per Room (2023)

Occupants per Room	Owner-Occupied	Renter-Occupied
0.50 or Fewer	2,086	771
0.51 to 1.00	304	144
1.01 to 1.50	0	0
1.51 to 2.00	0	0
2.01 or More	0	0
Total	2,086	915

Source: 2023 American Community Survey Five-Year Estimates.

Table 13 below identifies housing units with complete plumbing and kitchen facilities. As shown, all occupied units in the Borough were identified as having complete plumbing and kitchen facilities.

Table 16: Plumbing and Kitchen Facilities (2023)

	Units with Complete Facilities	Units without Complete Facilities
Plumbing	3,001	0
Kitchen	3,001	0

Source: 2023 American Community Survey Five-Year Estimates.

This data is contrary and exhibits that the calculations from the DCA regarding overcrowding and deficient plumbing or kitchen facilities in the Borough for the Fourth Round Present Need calculations, is substantially overestimating the current conditions.

## 2.4: Housing and Employment Projection

The following section identifies the extent to which redevelopment housing and economic development has occurred in the community, which can assist in the determination of future residential and employment projections.

### Recent Residential Development Activity

One way of examining the stability of a community's housing stock is by comparing the number of residential building permits issued for new construction as well as demolition permits issued every year. Since 2013, the Borough has annually issued an average of 1.8 and 1.5 building permits and demolition permits, respectively. This results in an average positive net of 0.2 permits annually.

Table 17: Residential Building Permits and Demolition Permits

	Building Permits					
Year	1 & 2 Family	Multifamily	Mixed Use	Total	Demos	Net
2013	0	0	0	0	0	0
2014	1	0	6	7	4	3
2015	1	0	0	1	2	-1
2016	1	0	0	1	0	1
2017	1	0	0	1	0	1
2018	6	0	0	6	1	5
2019	1	0	0	1	2	-1
2020	0	0	0	0	2	-2
2021	1	0	0	1	3	-2
2022	2	0	0	2	0	2
2023	0	0	0	0	3	-3
Total	14	0	6	20	17	3

Source: Department of Community Affairs

### Covered Employment

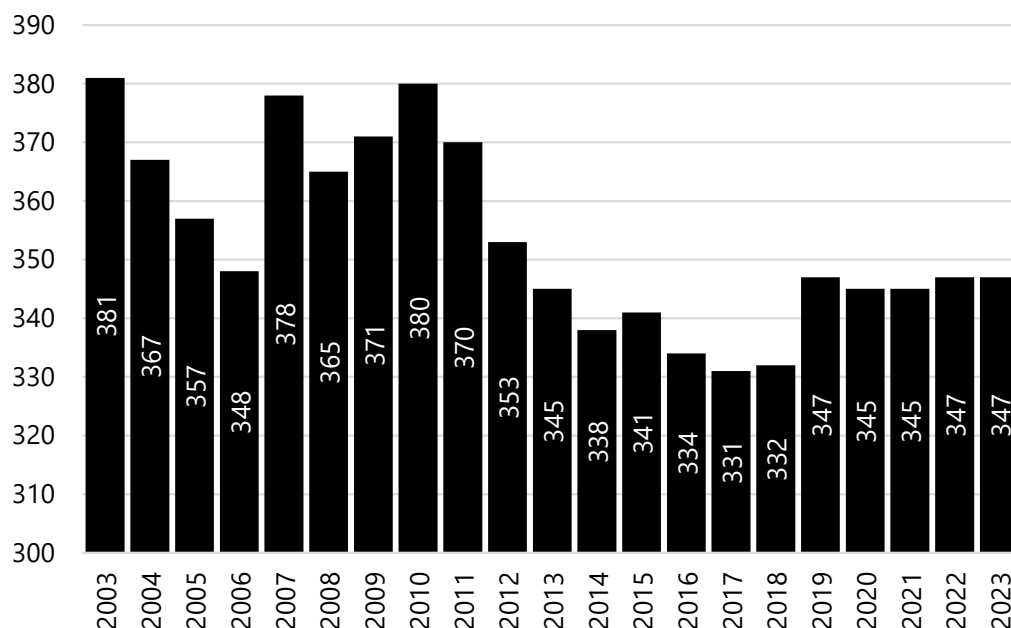
Figure 4 and Figure 5 below provide data on the Borough's covered employment trends between 2004 and 2023, as reported by the New Jersey Department of Labor and

Workforce Development. "Covered employment" refers to any employment covered under the Unemployment and Temporary Disability Benefits Law. Generally, nearly all employment in the state is considered to be "covered employment."

Figure 4 depicts the number of reported "employment units" within the Borough. An "employment unit" is defined as an individual or organization which employs one or more workers. As shown, the Borough experienced a fairly consistent loss of employment units between 2003 and 2018. Since that time, however, the number of employment units has remained relatively stable. As of 2023, there were a reported 347 employment units in the Borough.

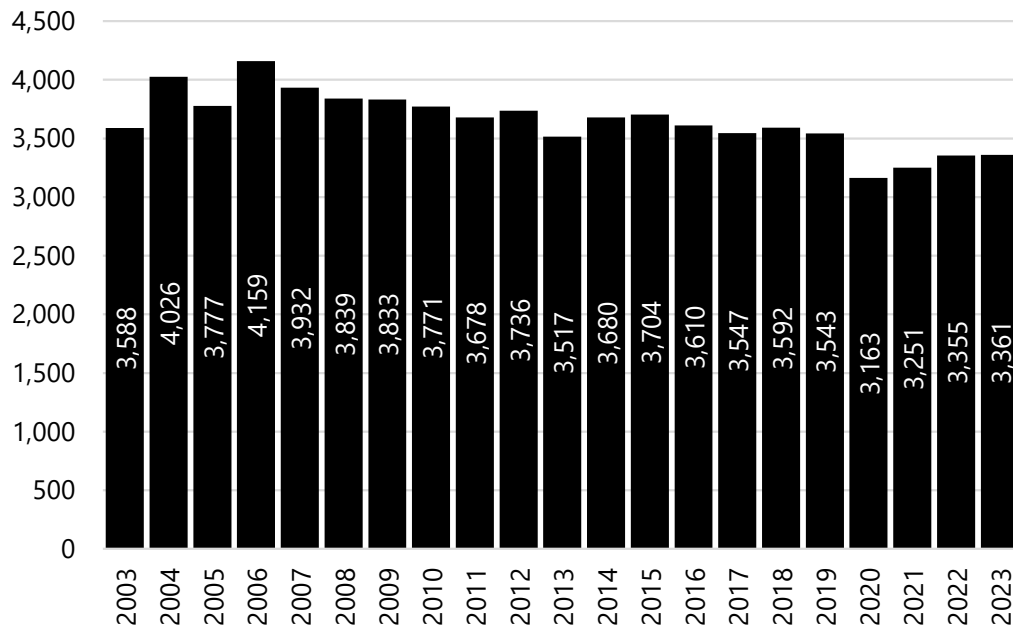
Similarly, employment levels have typically decreased since 2005. The most dramatic decrease occurred between 2019 and 2020, wherein employment in the Borough decreased by a reported 10.7%. This may be attributed to COVID-19 pandemic. Since that time, employment in the Borough has increased. As of 2023, the Borough's reported covered employment was 3,361 individuals.

Figure 1: Covered Employment Units, 2003-2023



Source: Department of Labor and Workforce Development

Figure 2: Covered Employment, 2003-2023



Source: Department of Labor and Workforce Development

## Section 3: Fair Share Obligation

The following section provides an overview of the Borough's fair share obligation. It includes a brief overview of the methodology utilized to calculate affordable housing obligations throughout the state.

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### 3.1: Summary of Fair Share Obligation

As explained above, the Borough's fair share obligation consists of a rehabilitation number of 10 and a new construction number of 645. The new construction number is the sum of the prior round obligation (137), the Round 3 obligation (308) and the Round 4 obligation (200).

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### 3.2: Structural Conditions Survey

The Borough bases its rehabilitation number, also known as its Present Need, on a structural survey. In this regard, as per NJAC 5:93-5.2:

*"Each municipality shall be provided with the Council's estimate for substandard units occupied by low and moderate income households. This estimate shall be the municipality's indigenous need, unless the municipality or an objector performs the Council's Structural Conditions Survey (see Appendix C, incorporated herein by reference). Where the municipality or objector performs the Structural Conditions Survey, the Council shall review the results of the data collected and shall modify the indigenous need if it determines a modification is warranted."*

A Structural Conditions Survey therefore was conducted as a first step by the Borough of Allendale Construction Official, Mr. Anthony Hackett. The Construction Official was guided by the available criteria established in N.J.A.C. 5:93-5.2 and N.J.A.C. 5:97-6.2 which reference "Appendix C" of the rules. Appendix C of N.J.A.C. 5:93 outlines the criteria and entities licensed to perform building and/or housing inspections.

In accordance with Appendix C, the total number of units found to be substandard was then factored for the estimated number of substandard units occupied by low- and moderate-income households census information and overcrowded that is available from the Public Use Micro-Data Sample (PUMS).

In calculating Round 4 Present Need obligations, the DCA did not rely on PUMS data for determining the percent of substandard units occupied by low and moderate income households in each municipality. Instead, the DCA relied on HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset for this estimate. The DCA's Fourth Round Methodology Report provides the reasoning behind this as follows:

*"Previous approaches have calculated county-level LMI deficient housing shares from the American Community Survey Public Use Microdata Sample (PUMS) and used them to estimate the LMI-occupied portion of each municipality's deficient*

*housing. However, this approach essentially assumes that the LMI share of deficient housing is uniform in a county, which is not the case. For example, data from HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset show that for 2017-21, the LMI share of housing lacking complete plumbing or kitchen facilities in Atlantic County was 69.1 percent. However, in Brigantine, it was 100 percent. Using the county LMI deficient share for Brigantine would result in underestimating city present need, undercounting the number of deficient housing units actually occupied by LMI households.*

*Therefore, the analysis utilizes data from HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset, which has municipality-level data on the number and percentage of LMI households from a special tabulation of Census Bureau American Community Survey (ACS) data. The latest CHAS data release at the time of calculation corresponds to the 2017-2021 5 Year Estimates. To ensure data year and source consistency, the LMI deficient housing calculation relies on 2017-2021 data."*

Therefore, in order to conduct the second step in our Structural Conditions Survey (estimating the number of substandard units occupied by low/mod income households), we relied on the CHAS data and DCA's methodology.

The structural conditions survey performed by the Construction Official upon review of the entire Borough identified there are a total of 10 units that reflect a need for rehabilitation. To apply the second step, the aforementioned CHAS data for Allendale estimated the number of substandard units occupied by low- and moderate-income households was 100 percent of the identified substandard units calculated. Thus all 10 units from the survey represent the Borough's present need and may potentially need assistance through the affordable housing present need mechanisms.

This result is pending further guidance on other methods or means of adjusting the need based upon actual conditions as determined by the applicable state regulatory agency. The survey demonstrates that the data DCA utilized substantially overestimated the Present Need obligation. The Borough is committed to addressing the adjusted rehabilitation obligation.

The housing survey form is provided in the Appendix of this document.

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### 3.3: Realistic Development Potential (RDP)

#### *Rounds 1 through 3*

The Borough of Allendale lacked sufficient land to address its rehabilitation obligation and consequently secured approval of its application for a vacant land adjustment. The Court approved the Borough's Housing Element and Fair Share Plan which included a vacant land adjustment that set the Borough's realistic development potential is 54. The Courts approval of the Borough's Third Round Plan inclusive of the vacant land adjustment to 54 is attached hereto in the Appendix.

*Round 4*

Since the Borough lacked sufficient land to satisfy its new construction obligations through Round 3, it obviously lacks sufficient land to address its additional 200 Round 4 prospective need obligation. COAH's policy recognizes the burdens of a vacant land analysis and permits municipalities to rely upon an adjustment previously done and approved. The Borough is relying upon that previously approved adjustment.

The only question that remains regarding the Borough's right to an adjustment is whether there have been any changed circumstances since the court-approved adjustment that might require a recalibration of the RDP. rehabilitation

An inquiry was made regarding a property developed with an existing restaurant in the Borough. This site is currently operating as Savini's Restaurant on 168 West Crescent Avenue (B1005, L19). This site is developed and not in any state of disrepair that would be characterized as in need of redevelopment, as when the Court previously approved the Borough's RDP. Moreover, the inquirer did not express a commitment to constructing a project with any affordable housing. Therefore, there is no changed circumstance that might require a recalibration and, thus, the Borough has the right not to accept an RDP for the site. However, out of an excess of caution, the Borough will accept an RDP for the site and address that RDP.

The site consists of 1.76 acres. A reasonable maximum yield for the site is 20 units at 12 dwelling units per acre. If 20 units were to be developed at the site, the site would generate with a 20 percent set aside, 4 units ( $20 \times 0.20 = 4$ ). Therefore, the Borough will accept an RDP of 4 for the site and address the 4-unit RDP in this Fourth Round Housing Plan and have an unmet need of 196 ( $200 - 4 = 196$ ).

## Section 4: Fair Share Plan

The following Fair Share Plan outlines the components and mechanisms the Borough will utilize to address its affordable housing obligations. These obligations include are summarized as follows:

Table 189: Affordable Housing Obligation Summary

Category	Obligation
Prior Round Obligation (1987-1999)	137
Third Round Obligation (1999-2025)	308
Fourth Round Obligation (2025-2035)	200
Present Need (Rehabilitation) Obligation	159

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### 4.1: Present Need Obligation (10)

RehabilitationThe Borough will address its 10 unit rehabilitation obligation by continuing to participate in the Bergen County Home Improvement Program (BCHIP) to help address its rehabilitation share, to the extent that funding is available for the County program. In addition, since the County program does not apply to rental units, the Borough will contract with a professional Affordable Housing Administrator to supplement the owner-occupied rehabilitation program with a rehabilitation program for rentals. If the Borough is unable to find a qualified administrator, it will seek a waiver of any obligation to provide a rehabilitation program for rental units.

To fully satisfy its Rehabilitation obligation, the Borough will commit \$160,000 of its trust fund to make sure the program is adequately funded. The Borough will make sure the program is well advertised and will reassess each year. If more resources are needed to fund rehabilitations to qualified LMI households, trust fund monies will be reallocated to this program. Conversely, if demands are low calling for less resources, trust fund monies will be reallocated to other permissible uses. The Borough's Rehabilitation Program is further described in the Fourth-Round Spending Plan contained in the Appendix of this plan.

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### 4.2: Prior Round Obligation

The Borough received a First Round JOR on February 25, 1991.

COAH assigned the Borough a Prior Round Obligation of 137 units for Rounds 1 and 2. The Borough fully addressed this obligation and exceeded this obligation with a combination of a Regional Contribution Agreement, inclusionary development, 100% affordable development, and supportive and special needs housing as summarized in Table 19 below.

Table 19: Prior Round (1987-2025) Affordable Housing Components (137)

Project Description- Prior Round	Prior Round Units	Prior Round Bonus	Total	Surplus Credits
<u>Regional Contribution Agreements</u> (RCAs)- Completed <ul style="list-style-type: none"> <li>40 units to Jersey City</li> <li>4 units to Ridgefield Borough</li> </ul>	44	-	44	-
<u>Allendale Brook Associates</u> project located on Carriage Court and Trotters Lane (Block 2101, Lot 9) – Completed	4	-	4	5
<u>Saddle Dale Builders</u> project located on Elm Street (Block 1809, Lot 8) – Completed	3	3	6	-
<u>Garden Homes/The Whitney</u> project (Block 2101, Lots 1, 2, 3, 5, 6, 7, 8) – Completed	-	-	0	12
<u>Allendale Senior Housing</u> project located on Cebak Court (Block 1708, Lots 1 and 9) – Completed	16	-	16	-
<u>Orchard Commons</u> supportive special needs housing project at (Block 1806, Lot 10.01) – Completed	10	10	20	-
<u>Crescent Commons</u> (Block 904, Lots 10.01, 10.02, 14, 31) 26 out of 33 affordable units – Completed	26	21	47	7
<b>Total: 137 Units Prior Round</b>	<b>103</b>	<b>34</b>	<b>137</b>	<b>24</b>

The Court approved the manner in which the Borough satisfied its Prior Round obligation as set forth above and the Borough has the right to rely on that approval.

### 4.3: Third Round Obligation

As noted earlier in this study, in the September 15, 2017 Settlement Agreement with Fair Share Housing Center (FSHC), and the June 27, 2019 Judgment of Compliance and Repose, Allendale had secured a Vacant Land Adjustment resulting in a Realistic Development Potential of 54 units, leaving it with remaining unmet need of the overall allocation of 254.

#### Third Round RDP Review

Allendale's Third Round Housing Element & Fair Share Plan (HE&FSP), adopted June 20, 2018, set forth the various mechanisms to address the Borough's RDP of 54. The chart below demonstrates that the Borough has fully satisfied its RDP for this Round and in fact recognizes the Borough had generated additional surplus credit in one project.

Table 20: Third Round (1999-2025) Affordable Housing Components

Project Description	Third Round Units	Third Round Bonus	Total Third Round Credits	Surplus Credits
<u>Allendale Brook Associates</u> inclusionary for sale development- Carriage Court and Trotters Lane (Block 2101, Lot 9) – Completed	5	-	5	-
<u>Garden Homes/Whitney</u> project (Block 2101, Lots 1 through 3 & 5 through 8) – Completed	12	12	24	-
<u>Former Farm</u> project (Block 506, Lots 4.07 and 4.08) – completed	2	1 <i>cap</i>	3	-
<u>Crescent Commons</u> project - completed	7	-	7	-
<u>220 West Crescent Avenue</u> project (aka The Vale) Completed.	5	-	5	+1
<u>Eastern Christian Group Home 1</u> project (Block 910, Lot 3) – Completed	5	-	5	-
<u>Eastern Christian Group Home 2</u> project (Block 1005, Lot 4) – Completed	5	-	5	-
<b>TOTAL: 54 credits to address RDP</b>	<b>41</b>	<b>13</b>	<b>54</b>	<b>+1</b>

#### Third Round Unmet Need Review

The difference between the Borough's Prospective Need obligations and its RDP obligations is what is known as Unmet Need. Whereas a land-poor municipality must create a realistic opportunity for satisfaction of its realistic development potential, it is clear that a municipality has a much lower responsibility with respect to its unmet need.

Judge Padavano explained the standard applicable to the unmet need in the Judgement of Repose he entered in the Saddle River case as follows:

*The court notes that while COAH's Second Round and Third Round rules require all municipalities to satisfy their RDP, the rules do not require municipalities to "satisfy" their unmet need - the rules only require municipalities to "address" the unmet need through the use of certain mechanisms specified in the rules. See N.J.A.C. 5:93-4.2(-f) (COAH's Second Round rule); N.J.A.C. 5:97-5.3(b) (COAH's Third Round rule). Significantly, none of the mechanisms specified in the rules require zoning exclusively for affordable housing (overlay zoning which offers an option for affordable housing is one of the mechanisms). Additionally, no rule requires a municipally sponsored affordable housing development, let alone a 100% affordable municipally sponsored development, which will result in the guarantee of construction of affordable units. N.J.S.A. 52:27D-3 l Id provides: "Nothing in ... C.52:27D-301 et al. [the FHA] shall require a municipality to raise or expend municipal revenues in order to provide low and moderate-income housing." As set forth above, the court finds the fact that the amended settlement will produce the actual construction of 42% of the Borough's unmet need quite compelling and leads the court to find that the amended settlement agreement will result in construction of a substantial number of affordable units.*

The Court approved the following mechanisms to address the unmet need in Round 3 when it entered a Judgment of Repose:

Table 21: Plan Surplus, MSO and Overlay Programs for Unmet Need

Plan Component	Total Credits (possible)	Status/ Surplus
<b>Plan Surplus:</b>		
<u>220 West Crescent Avenue project (aka The Vale)</u> – completed 6 units-excess 1 unit	1	Excess credits
Cebak Court- Allendale Housing Inc. senior housing project on Cebak Court	4	Constructed
<b>MSO- Units captured during the Third-Round cycle:</b>		
<u>Park and Ivy:</u> Inclusionary project – approved 5 total units, 1 affordable	1	Approved, under construction
<b>Overlay Zoning:</b>		
<u>Ramsey Golf &amp; Country Club Overlay Zone,</u> B 301, Lot 37 and Block 406, Lot 21.01, 14.3ac total area, 10 du/ac, 20% set-aside.	29	Zoned
<u>Allendale Corporate Center Overlay Zone,</u> B 702, Lot 14, 9.8 ac total area, @12 du/ac, 20% set-aside.	23	Zoned
<u>Church of the Guardian Angel Overlay Zone</u> B 1803, Lot 1, 8.0 ac total area, @12 du/ac, 20% set-aside.	19	Zoned

Further the following programs also contribute to the Unmet Need requirements:

1. Mandatory Set-Aside Ordinance. Additionally, in order to capture future affordable housing opportunities in the Borough and address the remainder of Allendale’s Unmet Need, the Borough has to adopted a Borough-wide Mandatory Set-Aside Ordinance, which requires that any site that is developed with five or more new multi-family or single-family attached dwelling units shall provide an affordable housing set-aside at a rate of 20 percent for affordable ownership unit, 15% if affordable rental units are created. This requirement will ensure that new multi-family or single-family-attached development in Allendale will provide its fair share of affordable units and assist with the Borough’s continuous efforts to address its affordable housing obligation. The Borough will not, however, be under any obligation to grant subdivision and site plan approvals, rezonings, use variances, redevelopment or rehabilitation designations, and/or any other approvals for any such construction and development applications will be required to otherwise conform to the Borough’s zoning

requirements. A copy of the Mandatory Set-Aside Ordinance is included in the Appendix of this plan. Any affordable units created pursuant to this ordinance will be applied toward Allendale's Unmet Need.

2. Development Fee Ordinance. Lastly, as part of its 2017 Settlement Agreement with FSHC and 2018 HE&FSP, the Borough maintained its Development Fee Ordinance, set forth in Chapter 81 of the Borough Code, and its non-residential development fee of 2.5 percent of equalized assessed value, consistent with the Statewide Non-Residential Development Fee Act, and its residential fee at 1.5 percent of equalized assessed value. The Borough will continue to implement its Development Fee Ordinance, as adopted, through the Fourth Round, the funds from which will be applied directly toward the implementation of the Allendale's Fourth Round Housing Element and Fair Share Plan.

As Table 21 shows, the Borough took all the actions required by the Judgment of Repose to address its unmet need through Round 3. In addition, several units have been realized and the zoned areas for unmet need continue to represent reasonable zoning measures to help provide opportunities for future inclusionary residential development.



#### 4.4: Fourth Round Obligation

As established in Section 3.3 of this plan, Allendale does not have any additional vacant land to add to the RDP obligation in the Fourth Round. In addition, there were no parcels that qualified as tracts developed such that they would be categorized as a “changed circumstance” of significance since the adoption of the Third-Round plan. Nonetheless, the Borough is accepting an RDP of 4 for the Savini parcel, leaving the Borough with an unmet need of 196 for Round 4.

##### Fourth Round RDP Obligation (4)

To address the RDP need of 4, the Borough will apply 2 units through the ongoing conversion of an existing residential 2-bedroom (currently a deed restricted affordable unit) located at 98 Elm Street to a special needs unit. The unit went into foreclosure and had fallen into a considerable state of disrepair. The Borough has intervened and coordinated the purchase and through Allendale Housing Inc., a non-for-profit organization in the Borough, is purchasing and rehabilitating the unit with the Borough committing up to \$90,000 towards its rehabilitation. In accordance with a Consent Order with FSHC, the property will be converted into two (2) special needs units and appropriate special needs generating credits.

This 2-bedrooms special needs project is eligible for 2 credits, plus up to 2 bonus credits. However, with an RDP of 4, no more than 25 percent or 1 bonus credit can be applied. The Borough will address the remaining unit of credit along with its family unit requirements, by purchasing at least two units, making sure the units are safe and habitable and then deed restricting the units for at least twenty years. In this regard, there are four units identified in Table 23 with deed restrictions expiring between July 1, 2025 and June 30, 2035

Table 22: Eligible Extension of Controls-Allendale Brook Estates

Description	Unit type	Project	Expiration Date
3 Trotters Lane B2101, L9, C0003	3 Bedroom	Allendale Brooke Estates	5/15/2032
7 Trotters Lane B2101, L9, C0007	1 Bedroom	Allendale Brooke Estates	11/04/2032
11 Trotters Lane B2101, L9, C0011	2 Bedroom	Allendale Brooke Estates	10/15/2032
86 Carriage Court Trotters Lane B2101, L9, C0086	1 Bedroom	Allendale Brooke Estates	12/15/2031

The deed restrictions on these units provide the Borough with the right to buy the units at the restricted price at the first nonexempt sale following the expiration of the deed restriction on these units. The Borough will exercise its right to buy at least two of these units in accordance with the provisions of the applicable deed restrictions, make sure the units are safe and habitable and then sell the units at an affordable price with an appropriate deed restriction.

While the Borough needs only two units to satisfy its RDP, it reserves the right to buy all four units noted above with trust fund monies, make sure the units are safe and habitable and sell the units at an affordable price with an appropriate 30-year deed restriction. In addition, it may well be that there are other units in the Borough that may have deed restrictions that may expire in the Fourth Round where the Borough may be able to secure further credits towards their needs. The Borough will continue to investigate the potential to secure these additional units and reserve rights to address these conditions.

The following summarizes the plan to address the 4-unit RDP.

Table 23: Credit Plan Towards Fourth Round RDP

Project Description	Fourth Round Units	Third Round Bonus	Total Credits
<u>98 Elm Street</u> - Unit conversion to 2-bedroom special needs unit and extension of controls (Block 1809, Lot 8) – Existing to be redeveloped, converted with extension of controls.	2	1	3
<u>Extension of Controls</u> - Extension of controls at Allendale Brook Estates.	2		2
<b><u>Total</u></b>	<b>4</b>	<b>1</b>	<b>5</b>

This plan would generate one applicable bonus for the special needs units equating to a total of 5 credits to satisfy a Fourth-Round RDP of 4.

Furthermore, FHA II provides as follows:

*Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so.*

*[N.J.S.A. 52:27D-310.1]*

For the Fourth Round, Allendale's "prospective need obligation that has been adjusted" (i.e., its RDP obligation) is 1-unit. As such, the Borough's efforts and work towards the redevelopment of the unit at 98 Elm Street is such an effort to address this 25 percent standard to maintain this affordable unit that has fallen into foreclosure and significant disrepair to a new 2-bedroom special needs home.

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#### 4.5: Unmet Need (196)

As indicated above, the Borough faced an unmet need of 254 in Round 3 and the Court determined that the measures to address that 254 unmet need represented reasonable measures after obtaining input from FSHC. Therefore, it should be anticipated that a municipality that already has an unmet need of 256 and that has done all that the Court deemed reasonable to address that unmet need cannot reasonably be expected to do still more. Indeed, even if every mechanism the court approved to address the unmet need generated the maximum number of affordable units, we could not reach the 254 unmet need.

Notwithstanding the above, the Borough is willing to take a step over and above what the Court deemed reasonable in its Judgment of Repose for Round 3. It is willing to expand the existing Allendale Corporate Center overlay zone located at Allendale Corporate Center to include Block 702, Lot 15. This additional area would add approximately 5.3 acres to the approximately 9.8-acre of lot 14 for a total of 15.1 acres Allendale Corporate Center site at 90 Boroline Road in the northeast corner of the Borough. The review below provides additional rationale for the suitability of this expanded overlay zone area.

The current overlay zoning in this area mirrors the existing EM Zoning, which was intended to permit multifamily development of this portion of the industrial area along Boroline Road. The current zone would be expanded to this area at a density of 12 dwelling units per acre and any residential development will be required to set aside 20% of its units for affordable housing. This expanded area may add an additional 13 affordable units to address the Borough's Unmet Need.

Map 4: Proposed Expansion of Allendale Corporate Center Overlay Zone Block 702 Lot 15



Source NJDEP-NJ GeoWeb website- lot lines are approximate.

In addition to the above, the Borough will keep in place all the mechanisms in its Round 3 Housing Element and Fair Share Plan designed to address the 254 unmet need.

#### 4.6: Other Provisions

The following additional requirements are noted:

1. Fourth Round Bonuses. Fourth-Round bonuses will be applied in accordance with N.J.A.C. 52:27d-311.k. wherein as noted herein they shall not exceed 25 percent of the RDP obligation.
2. Very-Low Income and Low-Income Units. At least 50 percent of the units addressing the Fourth Round Prospective Need obligation shall be affordable to very low-income and low-income households with the remainder affordable to moderate-income households. A minimum of 13 percent of the affordable units will be made available to very low-income households, defined as households earning 30 percent or less of the regional median income by household size.

3. Rental Component. At least 25 percent of the Fourth Round Prospective Need obligation shall be met through rental units, including at least half in rental units available to families.
4. Families. At least half of the actual units created to address the Fourth Round Prospective Need obligation must be available to families.
5. Age-Restricted Cap. No more than 30 percent of all units developed or planned to meet the Fourth Round Prospective Need obligation shall be met with age-restricted units.
6. Development Fees. The Borough will continue to impose development fees as permitted by COAH's prior round rules. The funds generated by the collection of development fees will be applied directly towards any activity approved by State regulations for addressing the municipal fair share.

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#### 4.7: Review of Rejected Development Sites

No developer came forward with a proposal in which it committed to provide affordable housing. Consequently, there is no requirement to consider any proposal that might generate affordable housing.

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#### 4.6: Consistency with State Planning Initiatives

As noted in Section 1, a HE&FSP must also include:

- ❖ An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, and;
- ❖ An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Accordingly, the following subsection analyzes the consistency of this HE&FSP to the above referenced state planning initiatives.

##### Multigenerational Family Housing Continuity Commission

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in NJSA 52:27D-329.20, one of the primary duties of the Commission is to "prepare and adopt recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family

continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas.”

As of the date of this HE&FSP, the Multigenerational Family Housing Continuity Commission has not adopted any recommendations.

#### State Development and Redevelopment Plan

As established by NJSA 52:18A-200(f), the purpose of the State Development and Redevelopment Plan (SDRP) is to “coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.”

As such, the current 2001 SDRP establishes a number of goals and strategies related to a number of different topics, including economic redevelopment. One such goal is to revitalize existing urban centers by directing growth and development to those areas. Specifically, the SDRP seeks to revitalize the State’s cities and towns by protecting, preserving, and developing the valuable human and economic assets in cities, town, and other urban areas.

As indicated by the SDRP’s Policy Map, the entirety of the Borough is located in the PA-1 Metropolitan Planning Area, wherein development and redevelopment is intended to be directed. The intent of this Planning Area is to:

- ❖ Provide for much of the state’s future redevelopment;
- ❖ Revitalize cities and towns;
- ❖ Promote growth in compact forms;
- ❖ Stabilize older suburbs;
- ❖ Redesign areas of sprawl; and;
- ❖ Protect the character of existing stable communities.

Accordingly, this HE&FSP is consistent with the intents of the PA-1. Specifically, it is designed to encourage redevelopment and growth in a compact form, while also protecting the character of the existing community.

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#### 4.7: Crediting Documentation and Ongoing Compliance

The Borough of Allendale is following the applicable requirements regarding unit monitoring and reporting. Specifically, the Borough completed the statutorily required updates to its housing project status report by the DCA deadline of February 15, 2025. These updates are included in the State’s new Affordable Housing Monitoring System and should be considered to fulfill the Borough obligation to specify the creditworthiness of all existing affordable units. Further, all crediting documentation submitted to and approved by the Court as part of the Borough’s Third Round Housing Element and Fair Share Plan remains on file with and accessible from the Court. All other crediting

documentation, for plan components that were not part of the Borough's Third Round HE&FSP, is included in the appendices of this plan.

## Appendices

1. Draft Resolutions Adopting and Endorsing Housing Element and Fair Share Plan
2. Endorsing Resolution No. 25-71 Committing to Comply to Fourth-Round Present and Prospective Need.
3. Superior Court Decision and Order Fixing Municipal Obligations
4. Structural Conditions Survey and Calculation of Adjusted Present Need
5. Third Round Vacant Land Adjustment Table
6. Third Round Settlement Agreement
7. Existing Affordable Housing Mandatory Set-Aside Ordinance
8. Existing/Adopted Chapter 270-Affordable Housing of Borough Code
9. Existing/Adopted Chapter 81 -Development Fees of Borough Code
10. Existing/Adopted Chapter 270, Article XXXIV, Ramsey Golf Course Inclusionary Overlay Residential District of Borough Code.
11. Existing/Adopted Chapter 270, Article XXXV Allendale Corporate Center Inclusionary Overlay Residential District of Borough Code.
12. Existing/Adopted Chapter 270, Article XXXVI Franklin Turnpike Inclusionary Overlay Residential District of Borough Code.
13. Allendale- 98 Elm Consent Order
14. Resolution Appointing Municipal Housing Liaison
15. Administrative Agents Contracts and Resolutions
16. Administrative Agent Manual and Affirmative Marketing Plan
17. Courts approval of the Borough's Third Round Plan
18. Fourth Round Spending Plan

## **Appendix**

### **1. Draft Resolutions Adopting and Endorsing Housing Element and Fair Share Plan**

**RESOLUTION OF THE PLANNING BOARD OF THE BOROUGH OF  
ALLENDALE ADOPTING A HOUSING ELEMENT AND FAIR SHARE  
PLAN FOR ROUND FOUR**

**WHEREAS**, the Borough of Allendale (hereinafter the “Borough” or “Allendale”) has a demonstrated history of voluntary compliance as evidenced by the receipt of a Round 2 Substantive Certification from COAH on October 1, 2003 and the entry of a Judgment of Repose, dated June 27, 2019, approving the Borough’s Housing Element and Fair Share Plan for Round 3; Third Round record; and

**WHEREAS**, in March of 2024, Governor Murphy signed an amendment to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq. into law making radical changes to the legislation (hereinafter “FHA II”) and

**WHEREAS**, FHA II established a procedure by which municipalities can secure approval of a Housing Element and Fair Share Plan; and

**WHEREAS**, that procedure contemplated that municipalities would adopt a resolution by January 31, 2025 committing to a fair share number and filing a declaratory relief action within 48 hours from adoption of the resolution and then adopting a Housing Element and Fair Share Plan (hereinafter “HEFSP” or “Plan”) by June 30, 2025 and filing the adopted Plan within 48 hours of adoption with the Affordable Housing Dispute Resolution Program (the “Program”); and

**WHEREAS**, the Borough adopted a resolution by January 31, 2025 committing to a fair share number and filing a declaratory relief action within 48 hours from adoption of the resolution; and

**WHEREAS**, the Borough had its affordable housing planning consultant, Edward Snieckus, Jr. P.P., LLA, ASLA, of Burgis Associates, Inc. prepare a HEFSP to address the Borough’s affordable housing obligations under FHA II; and

**WHEREAS**, the Borough now wishes for the Allendale Planning Board to consider adopting the HEFSP that its affordable housing planner prepared;

**WHEREAS**, in accordance with the provisions of N.J.S.A. 40:55D-13 of the MLUL, the Planning Board scheduled a public hearing on the HEFSP for June 16, 2025 at 7:00 p.m. at Municipal Building 500 W Crescent Ave Allendale, NJ 07401; and

**WHEREAS**, in accordance with the provisions of N.J.S.A. 40:55D-13 of the MLUL, the Planning Board published a notice of this public hearing in the Borough’s official newspaper at least ten days before the scheduled date for the public hearing and served a copy of this notice upon the clerks of all municipalities adjoining the Borough, upon the clerk of the County Planning Board, and upon the New Jersey Office of Planning Advocacy; and

**WHEREAS**, a copy of the HEFSP was placed on file with the Planning Board Secretary and was available for public review at least ten days before the scheduled date for the public hearing; and

**WHEREAS**, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on the Housing Element and Fair Share Plan on June 16, 2025; and

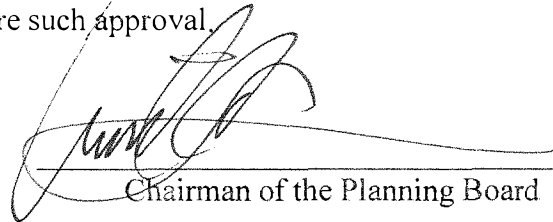
WHEREAS, at the public hearing, Edward Snieckus, Jr. P.P., LLA, ASLA, provided professional planning testimony regarding the HEFSP and the Board provided members of the public with the opportunity to provide their comments about the plan.

WHEREAS, the Planning Board determined that the attached Housing Element and Fair Share Plan is consistent with the goals and objectives of the current Master Plan of Allendale, and that adoption and implementation of the plan is in the public interest and protects public health and safety and promotes the general welfare.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of Allendale, County of Bergen, State of New Jersey, that the Planning Board hereby adopts the Housing Element and Fair Share Plan attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board hereby directs the affordable housing attorney for Allendale to file the duly adopted Housing Element and Fair Share Plan with the Program, an entity created by the Amended FHA, within 48 hours of adoption and present the duly adopted Housing Element and Fair Share Plan to Allendale for endorsement.


BE IT FURTHER RESOLVED that Affordable Housing Counsel is authorized to pursue approval of the Housing Element and Fair Share Plan and submit such additional documents as may be necessary or desirable in an effort to secure such approval.



Chairman of the Planning Board

### CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Planning Board of the Allendale at a regular meeting held on the 16th day of June, 2025.



Planning Board Secretary

**RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF ALLENDALE ENDORSING THE HOUSING ELEMENT AND FAIR SHARE PLAN ADOPTED BY THE ALLENDALE PLANNING BOARD**

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act; and

**WHEREAS**, for ease in reference, this resolution shall refer to the Fair Housing Act as amended as “FHA II”; and

**WHEREAS**, FHA II established a procedure by which municipalities can secure approval of a Housing Element and Fair Share Plan (“HEFSP”) and secure immunity in the process; and

**WHEREAS**, that procedure contemplated that municipalities would adopt a resolution by January 31, 2025 committing to a fair share number and filing a declaratory relief action within 48 hours from adoption of the resolution and then filing a HEFSP by June 30, 2025 and filing that plan within 48 hours with the Affordable Housing Dispute Resolution Program (the “Program”); and

**WHEREAS**, by taking these actions, a municipality could secure and maintain immunity from all exclusionary zoning suits inclusive of builder’s remedy suits; and

**WHEREAS**, in accordance with this statutory procedure, the Borough adopted a binding resolution on January 23, 2025 and filed a declaratory relief action within 48 hours from adoption of the resolution; and

**WHEREAS**, the Borough’s affordable housing planning consultant, Edward Snieckus P.P., LLA, A.S.L.A, of Burgis Associates, Inc has prepared a HEFSP to address the Borough’s affordable housing obligations under FHA II; and

**WHEREAS**, the Allendale Borough Planning Board adopted a HEFSP prepared by Mr. Snieckus on June 16, 2025, which is attached hereto as Exhibit A; and

**WHEREAS**, in accordance with the procedure established by FHA II, the Borough’s affordable housing counsel filed the duly adopted HEFSP with the Program created by FHA II within 48 hours from adoption; and

**WHEREAS**, the Borough Council now wishes to endorse the Housing Element and Fair Share Plan adopted by the Allendale Planning Board and seek approval of the HEFSP by the Program and Court.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Borough of Allendale, County of Bergen, State of New Jersey, as follows:

1. The Borough Council hereby endorses the Fourth Round HEFSP previously adopted by the Allendale Planning Board and attached hereto.
2. The Borough Council hereby directs the Borough’s Affordable Housing Counsel to (a) file this resolution with the Program, along with any additional documents the professionals deem necessary or desirable; and (b) seek a Compliance Certification

from the Program or Vicinage area judge as may be appropriate formally approving the Plan.

3. The Borough reserves the right to further amend the HEFSP attached hereto, should that be necessary.

### **CERTIFICATION**

I certify that the foregoing Resolution was duly adopted by the Council of Allendale Borough at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2025.

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Municipal Clerk

**Appendix**

**2. Endorsing Resolution No. 25-71 Committing to  
Comply to Fourth-Round Present and Prospective  
Need.**

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

DATE: 01/23/2025

RESOLUTION# 25-71

Council	Motion	Second	Yes	No	Abstain	Absent
Yaccarino			✓			
O'Toole			✓			
Homan		✓	✓			
Lovisololo	✓		✓			
Daloisio						✓
O'Connell			✓			
Mayor Wilczynski	-----	-----				

☒ Carried  
☐ Defeated  
☐ Tabled  
☐ Approved on  
 Consent Agenda

RESOLUTION OF THE BOROUGH OF ALLENDALE, COUNTY OF BERGEN, STATE OF NEW JERSEY COMMITTING TO COMPLY WITH PRESENT NEED (REHAB OBLIGATION) AND THE ROUND 4 PROSPECTIVE NEED SUBJECT TO CORRECTIONS OF DATA AND ALL APPLICABLE ADJUSTMENTS

WHEREAS, the Borough of Allendale, County of Camden, State of New Jersey, (hereinafter, "Borough" or "Allendale") has a demonstrated history of voluntary compliance with its constitutional affordable housing obligations; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, an Amendment to the 1985 Fair Housing Act (hereinafter "Amended FHA" or "Act"); and

WHEREAS, the Amended FHA requires the Department of Community Affairs ("DCA") to provide an estimate of the present need, also referred to as the rehab obligation, and the Round 4 prospective need for all municipalities by October 20, 2024 based upon the criteria in the Amended FHA; and

WHEREAS, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the present need and the Round 4 prospective need obligation for all municipalities based upon its interpretation of the standards in the Act; and

WHEREAS, the DCA Report calculates Present Need (Rehabilitation) Obligation to be 159 and its Round 4 Prospective Need to be 260; and

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

**DATE: 01/23/2025**

**RESOLUTION# 25-71**

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support revised calculations of Round 4 fair share affordable housing obligations; and

WHEREAS, the Amended FHA gives municipalities the opportunity to propose different obligations from those reported by the DCA on October 18, 2024 based upon the standards in Sections 6 and 7 of the Act; 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 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 authorize municipalities to secure an adjustment to their rehabilitation obligation through a windshield survey and also empower municipalities to secure vacant land adjustments, durational adjustments and other adjustments; and

WHEREAS, the Borough has exercised its right to take advantage of that opportunity to propose a different rehabilitation obligation than reported by the DCA by conducting a windshield survey; and

WHEREAS, based upon the windshield survey included in the expert report of Edward Snieckus, Jr. PP, LLA, ASLA attached hereto (hereinafter “Snieckus Report”, the Borough has established that its rehabilitation obligation is 10; and

WHEREAS, the Borough is happy to address any issues that may arise with respect to the conducting the windshield survey in accordance with COAH standards and to address the needs of lower income households residing in affordable units if there is an application to participate in the rehab program for more than 10 lower income households residing in qualified units; and

WHEREAS, the Borough, through its professionals, has exercised its right to review the data that is the basis for the 3 allocation factors used to determine Allendale’s share of the regional need; and

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

**DATE: 01/23/2025**

**RESOLUTION# 25-71**

WHEREAS, more specifically, Allendale has reviewed the data that the DCA used to compute the Land Capacity Allocation Factor that the DCA belatedly provided on or about November 27, 2024 instead of by October 20, 2024; and

WHEREAS, the Borough further notes that the link to the DCA GIS data that the DCA belatedly made available to municipalities includes the following language:

"The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program." (emphasis added)

WHEREAS, the Borough accepted the DCA's invitation to examine the data it used to compute this allocation factor and found that the DCA had indeed been over inclusive in the land it found to be developable; and

WHEREAS, more specifically, based upon the Sniekus Report, the Borough finds that fewer acres are developable than the DCA reported in computing the Land Capacity factor; and

WHEREAS, upon correcting the data used to determine the Land Capacity Factor, the correct Round 4 prospective need number is 182 not 260; and

WHEREAS, the Amended FHA 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 the Act; and

WHEREAS, Borough's calculation of need is entitled to a "presumption of validity" because it complies with Sections 6 and 7 of the Act; and

WHEREAS, in addition to setting forth its Round 4 fair share affordable housing obligations for the reasons summarized above, substantial activity has occurred and is ongoing that warrants the reservation of certain rights to avoid any claim that it has waived them; and

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

**DATE: 01/23/2025**

**RESOLUTION# 25-71**

WHEREAS, for example, the New Jersey Institute of Local Government Attorneys ("NJILGA") has expressed its support for proposed legislation (hereinafter "NJILGA Legislation") would reduce Allendale's Round 4 Prospective Need to 53 and would give the Borough "90 days from receipt of revised fair share obligations from the [DCA] to provide an amended Housing Element and Fair Share Plan addressing the new number); and

WHEREAS, the Borough of Allendale supports the NJILGA Legislation and would have the right to reduce its Round 4 obligation in the event that the Legislature enacts it; and

WHEREAS, similarly, a number of municipalities, led by the Borough of Montvale, have filed suit (MER-L-1778-24) (hereinafter "Montvale Litigation") challenging the Amended FHA and the outcome of this litigation is uncertain; and

WHEREAS, the process established by the Amended FHA creates an opportunity to object by interested parties opposing the obligations to which a municipality commits, thereby creating the potential for litigation over the obligations of the municipality; and

WHEREAS the court approved a vacant land adjustment and an RDP for the Borough in Round 3; and

WHEREAS, more specifically, on June 27, 2019, Judge Padavano entered a final Judgment of Compliance and Repose in which he approved the Borough's application for a determination that the Borough's realistic development potential is 54; and

WHEREAS, the Borough will be entitled to an adjustment in Round 4 since it lacked sufficient land to meet its fair share quota for Round 3; and

WHEREAS, the Borough will include the basis for its vacant land adjustment in in the Housing Element and Fair Share Plan it submits by the June 30, 2025 deadline established by the Amended FHA; and

WHEREAS, the Amended FHA requires municipalities to adopt a binding resolution no later than January 31, 2025 as to its obligations.

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

**DATE: 01/23/2025**

**RESOLUTION# 25-71**

WHEREAS, in light of the above, the Borough of Allendale finds that it is in its best interest to declare its obligations in accordance with this binding resolution in accordance with the Act; 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 Act shall file an action in the form of a declaratory judgment complaint 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 Allendale seeks a certification of compliance with the Act and, therefore, directs its Affordable Housing Counsel to file a declaratory relief action within 48 hours of the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED on this 23rd day of January, 2025, by the Governing Body of the Borough of Allendale, County of Bergen, State of New Jersey, as follows:

1. The preamble of this resolution is incorporated into the operative clauses of this resolution as if set forth in full.

2. For the reasons set forth in this resolution and its attachments, the Borough of Allendale commits to a Round 4 Present Need ("Rehabilitation") Obligation of 10 and a Round 4 Prospective Need "(New Construction)" obligation of 182, as set forth in the Sniekus Report, subject to all reservations of all rights, which specifically include, without limitation, the following:

- a. The right to a vacant land adjustment, durational adjustments, and all other applicable adjustments permitted in accordance with COAH regulations;
- b. The right to comply with the NJILGA Legislation if enacted, including the right to adjust its fair share obligations;

**RESOLUTION  
BOROUGH OF ALLENDALE  
BERGEN COUNTY, NJ**

**DATE: 01/23/2025**

**RESOLUTION# 25-71**

- c. The right to adjust its fair share obligation in the event of any future legislation that adjusts the fair share obligations that the DCA reported on October 18, 2024;
- d. The right to adjust its fair share obligations based upon any ruling in the Montvale Litigation or other litigation; and
- e. The right to adjust its fair share obligations in the event third party challenges the obligations to which the Borough has committed and the Borough of Allendale litigates or negotiates its obligations with a third party.

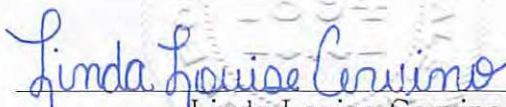
3. The Borough hereby directs its Affordable Housing Counsel to file a declaratory judgment complaint in the appropriate venue within 48 hours after adoption this resolution attaching this resolution.


4. The Borough also hereby authorizes its Affordable Housing Counsel to file this resolution with the Program or any other such entity as may be determined to be appropriate.

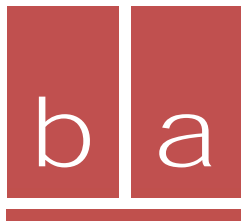
5. This resolution shall take effect immediately, according to law.

**CERTIFICATION**

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on January 23, 2025.

  
Linda Louise Cervino, RMC  
Municipal Clerk





Community Planning  
Land Development and Design  
Landscape Architecture

B U R G I S  
A S S O C I A T E S , I N C .

Principals:

*Joseph H. Burgess PP, AICP*  
*Edward Snieckus, Jr. PP, LLA, ASLA*  
*David Novak PP, AICP*

# Fourth Round Present and Prospective Need Analysis

Borough of Allendale  
Bergen County, New Jersey

# Fourth Round

## Present and Prospective Need

### Analysis

Borough of Allendale  
Bergen County, New Jersey

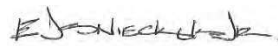
Prepared for the Borough of Allendale  
Mayor and Council

BA# 4127.03

The original document was appropriately signed and sealed on January 21, 2025, in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.



Joseph H. Burgis, AICP, PP  
Professional Planner #2450



Edward J. Snieckus Jr. PP, LLA, ASLA  
Professional Planner #5442

# Contents

Executive Summary ..... 1

Section 1: Present Need- Structural Conditions Survey ..... 3

    1.1: Present Need Background ..... 3

    1.2: Structural Conditions Survey ..... 3

Section 2: Equalized Nonresidential Valuation Factor ..... 6

    2.1: Basis of Calculation ..... 6

    2.2: Analysis of Calculation ..... 6

Section 3: Income Capacity Factor ..... 7

    3.1: Basis of Calculation ..... 7

    3.2: Analysis of Calculation ..... 7

Section 4: Land Capacity Factor ..... 8

    4.1: Basis of Calculation ..... 9

    4.2: Analysis of Calculation ..... 11

Appendix A: Land Capacity Factor Detailed Review..... 13

Appendix B: Structural Conditions Survey ..... 41

# Executive Summary

The following Present and Prospective Need Analysis has been prepared for the Borough of Allendale in Bergen County, New Jersey.

By way of background, Governor Murphy signed A-40/S-50 into law on March 20, 2024 after the Senate and Assembly adopted it. This legislation (hereinafter "Amended FHA" or "Act") overhauled the Fair Housing Act (FHA) by abolishing the Council on Affordable Housing (COAH) and created a new process that involved the Department of Community Affairs (DCA) and the Administrative Office of the Courts (AOC).

The Amended FHA directed the New Jersey Department of Community Affairs ("DCA") to report the present need (also referred to as the rehab obligation) and the prospective need for Round Four based upon the standards set forth in the Act. The DCA issued its report on October 18, 2024; and, in accordance with the Act, made clear that the report was advisory only. For Allendale, the DCA Report identifies a Present Need of 159 and a Prospective Round Four Need of 260.

Since the DCA report is non-binding, each municipality has the opportunity to study and define why its obligations should be different based on the standards in the Act. However, the municipality must adopt a binding resolution by January 31, 2025, identifying the present and prospective need obligation to which it is committing.

As to the Present Need (also known as the rehab obligation), the Act allows municipalities to rely on COAH standards that the Act has not eliminated. N.J.S.A 52:27D-311 (m). Over each housing cycle, COAH permits municipalities to adjust their rehab obligation through a structural conditions survey. Accordingly, the Borough conducted a structural conditions survey pursuant to NJAC 5:93-5.2(a) to more accurately reflect those units in need of rehabilitation.

**Recommendation:** As a result of the structural conditions survey included herein, the Borough's Present Need Obligation should be adjusted from 159 to 10 units.

As to the Round Four Prospective Need of 260 units that the DCA Reported on October 18, 2024, the methodology used to determine a municipality's prospective fair share obligation requires an initial determination of the regional prospective need. The region that Allendale is in consists of all municipalities in Bergen, Passaic, Hudson and Sussex counties. To determine a municipality's share of the regional need, the Act requires a calculation of three factors: (1) the equalized nonresidential valuation factor; (2) the income capacity factor; and (3) the land capacity factor. The Act then requires these three factors to be averaged and applied to the regional need to determine the share of the regional need for each municipality that is not a Qualified Urban Aid Municipality ("QUAM"). The Act therefore imposes no prospective need obligation on QUAMs, it instead distributes the obligation to the other municipalities in the respective housing region.

The Borough does not dispute the DCA’s calculation of the Equalized Nonresidential Valuation Factor or the Income Capacity Factor. However, the Borough does dispute the calculation of the Land Capacity Factor. More specifically, the Borough accepts the DCA’s invitation to examine the Land Capacity Factor and the lands that the DCA deemed developable for purposes of calculating this factor.

**Recommendation:** For the reasons set forth herein, the DCA calculation under the Land Capacity Analysis was overinclusive. Once appropriate corrections are made to the land that is developable, the Borough’s Prospective Need Obligation should be adjusted from the 260 figure the DCA reported to 182 based upon the weighting criteria. With the findings in this report, the following summarizes the comparison of the three allocation factors as adjusted by the analysis provided herein.

Table 1: Summary of Adjusted Factors

	Equalized Nonresidential Valuation Factor	Income Capacity Factor	Land Capacity Factor
DCA Analysis	0.56%	1.05%	1.21%
Borough Analysis	0.56%	1.05%	0.36%

The basis for these conclusions are contained herein.

# Section 1: Present Need- Structural Conditions Survey

The following section reviews the Borough's Present Need as calculated by the DCA. The following is summarized:

1. The Borough finds that the methodology utilized by the DCA to calculate its Prospective Need Obligation is in accordance with the applicable regulations.
2. The Borough conducted a Structural Conditions Survey to more accurately identify its indigenous needs since the data sets excessively estimated for the actual need in the borough. This survey identified that 10 units have been identified as in need of rehabilitation in accordance with the applicable criteria as noted herein.

---

## 1.1: Present Need Background

The Amended Fair Housing Act provides that "[a]ll 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).

As detailed below, COAH has adopted regulations to permit municipalities conduct a visual exterior survey to adjust their rehab obligation, which is also referred to as Present need in the Amended Fair Housing Act.

Since the Borough had a rehab obligation of 21 in Round 3, the 159 the DCA assigned to the Borough for its rehab obligation raised questions. Accordingly, in accordance with COAH regulations, the Borough conducted the windshield survey COAH regulations authorize. While many towns have reserved their right to conduct a windshield survey as part of preparing a Housing Element and Fair Share Plan for the June 30, 2025 deadline, the Borough conducted the survey up front.

If there are issues with the survey, we will address those issues in the process that lies ahead. In any event, the Borough will implement a rehabilitation program as it has in the past with Court approval. If more low and moderate income households with qualified units seek to participate in the program than our survey determines exist, the Borough will address the needs of the additional low and moderate income households.

---

## 1.2: Structural Conditions Survey

As per NJAC 5:93-5.2:

*"Each municipality shall be provided with the Council's estimate for substandard units occupied by low and moderate income households. This estimate shall be the municipality's indigenous need, unless the municipality or an objector performs the Council's Structural Conditions Survey (see Appendix C, incorporated herein by reference). Where the municipality or objector performs the Structural Conditions*

*Survey, the Council shall review the results of the data collected and shall modify the indigenous need if it determines a modification is warranted."*

A Structural Conditions Survey therefor was conducted as a first step by the Borough of Allendale Construction Official, Mr. Anthony Hackett. The Construction Official was guided by the available criteria established in N.J.A.C. 5:93-5.2 and N.J.A.C. 5:97-6.2 which reference "Appendix C" of the rules. Appendix C of N.J.A.C. 5:93 outlines the criteria and entities licensed to perform building and/or housing inspections.

In accordance with Appendix C, the total number of units found to be substandard was then factored for the estimated number of substandard units occupied by low- and moderate-income households census information and overcrowded that is available from the Public Use Micro-Data Sample (PUMS).

In calculating Round 4 Present Need obligations, the DCA did not rely on PUMS data for determining the percent of substandard units occupied by low and moderate income households in each municipality. Instead, the DCA relied on HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset for this estimate. The DCA's Fourth Round Methodology Report provides the reasoning behind this as follows:

*"Previous approaches have calculated county-level LMI deficient housing shares from the American Community Survey Public Use Microdata Sample (PUMS) and used them to estimate the LMI-occupied portion of each municipality's deficient housing. However, this approach essentially assumes that the LMI share of deficient housing is uniform in a county, which is not the case. For example, data from HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset show that for 2017-21, the LMI share of housing lacking complete plumbing or kitchen facilities in Atlantic County was 69.1 percent. However, in Brigantine, it was 100 percent. Using the county LMI deficient share for Brigantine would result in underestimating city present need, undercounting the number of deficient housing units actually occupied by LMI households.*

*Therefore, the analysis utilizes data from HUD's Comprehensive Housing Affordability Strategy (CHAS) dataset, which has municipality-level data on the number and percentage of LMI households from a special tabulation of Census Bureau American Community Survey (ACS) data. The latest CHAS data release at the time of calculation corresponds to the 2017-2021 5 Year Estimates. To ensure data year and source consistency, the LMI deficient housing calculation relies on 2017-2021 data."*

Therefore, in order to conduct the second step in our Structural Conditions Survey (estimating the number of substandard units occupied by low/mod income households), we relied on the CHAS data and DCA's methodology.

The structural conditions survey performed by the Construction Official upon review of the entire Borough identified there are a total of 10 units that reflect a need for rehabilitation. To apply the second step, the aforementioned CHAS data for Allendale estimated the number of substandard units occupied by low- and moderate-income

households was 100 percent of the identified substandard units calculated. Thus all 10 units from the survey represent the Borough's present need and may potentially need assistance through the affordable housing present need mechanisms.

This result is pending further guidance on other methods or means of adjusting the need based upon actual conditions as determined by the applicable state regulatory agency. The survey demonstrates that the data DCA utilized substantially overestimated the Present Need obligation. The Borough is committed to addressing any issues with its compliance with the COAH standards to adjust the rehab component fully implementing a rehab program and rehabbing more units than the survey substantiates if more than 10 low and moderate income households with units that qualify apply to participate in the program.

The housing survey form is provided in Appendix B of this document.

# Section 2: Equalized Nonresidential Valuation Factor

The following section reviews the equalized nonresidential valuation factor calculated by the DCA. The following is summarized:

- 1. The Borough finds that the methodology utilized by the DCA to calculate its nonresidential valuation factor is acceptable.
- 2. The Borough’s change in equalized nonresidential valuation between 1999 and 2023 is \$180,676,233.
- 3. This results in the Borough’s calculated share of the region’s equalized nonresidential valuation of 0.56%.

---

## 2.1: Basis of Calculation

As per the adopted legislation, a municipality’s equalized nonresidential valuation factor shall be determined as follows:

*“To determine this factor, the changes in nonresidential property valuations in the municipality, since the beginning of the round preceding the round being calculated, shall be calculated using data published by the Division of Local Government Services in the department. For the purposes of such, the beginning of the round of affordable housing obligations preceding the fourth round shall be the beginning of the gap period in 1999. The change in the municipality’s nonresidential valuations shall be divided by the regional total change in the nonresidential valuations to determine the municipality’s share of the regional change as the equalized nonresidential valuation factor.”*

---

## 2.2: Analysis of Calculation

The calculation conducted by the DCA determined that the Borough has a 0.56% share of the region’s equalized nonresidential valuation.

Table 2: DCA Equalized Nonresidential Valuation Calculation Summary

Year	Non-equalized Nonresidential Valuation	Equalization Ratio	Equalized Nonresidential Valuation
1999	\$100,574,900	0.8197	\$122,697,206
2023	\$279,376,600	0.9209	\$303,373,439
Difference			\$ 180,676,233

Source: DCA Fair Share Housing Obligations for 2025-2035 (Fourth Round) Workbook

The Borough has reviewed the methodology and data utilized by the DCA for this calculation. The methodology employed by the DCA is appropriate, the Borough finds that the equalization ratios employed by the DCA are accurate.

# Section 3: Income Capacity Factor

The following section reviews the income capacity factor calculated by the DCA. It finds that the data and methodology utilized by the DCA relating to the Borough’s income capacity factor are both acceptable.

---

## 3.1: Basis of Calculation

As per the adopted legislation, a municipality’s income capacity factor shall be determined by calculating the average of the following measures:

*“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.”*

---

## 3.2: Analysis of Calculation

The calculation conducted by the DCA determined that the Borough has a 1.05% share of the region’s income capacity factor. Table 3 below summarizes the methodology utilized by the DCA to determine this share.

The Borough has reviewed the data and the methodology utilized by the DCA for this calculation and finds both to be acceptable.

Table 3: Income Capacity Factor

Number of Households	Median household income in the past 12 months (in 2022 inflation-adjusted dollars) *	\$100 Below Regional Median HH Income Floor	Diff. from Median Household Income Floor with Household Weight	HH Weighted Income Difference % of Region Total	Diff from Median Household Income Floor	Income Difference % of Region Total	Income Capacity Factor
2,271	\$163,875	\$51,992	254,086,293	0.8%	\$111,883	1.3%	1.05%

## Section 4: Land Capacity Factor

The DCA issued the data that was the basis for the land capacity factor on November 27<sup>th</sup>, over a month after the DCA deadline to issue its non-binding numbers under the Amended FHA.

The link to the DCA GIS data, and the description section (<https://njdca.maps.arcgis.com/home/item.html?id=12acdf0a5104f8f8a2f604e96063e74>), includes the following language:

"The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c.(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program." (underlined for emphasis)

The areas identified as developable in the DCA's calculation of the Land Capacity factor is indeed overinclusive. Accordingly, we believe that the land capacity allocation factor should be adjusted from 23.8 acres to 7.063 acres . When this correction is made, Allendale's Round Four prospective need number should be 182 instead of the 260 unit figure identified by DCA.

While the basis for removing land treated as developable in the DCA's calculation is set forth below, it is important to note that the analysis to correct the land allocation factor is different than the analysis to use the determine a municipality's entitlement to vacant land adjustment. While the analysis to correct the Land Capacity factor focuses on developable land, the analysis to support a vacant land adjustment focuses on land suitable for inclusionary development. Therefore, just because a site was not removed for purposes of calculating the land capacity factor has no bearing on whether it should be removed to calculate entitlement to a vacant land adjustment.

In this regard, the Borough secured court approval of a vacant land adjustment in Round 3 and will necessarily seek an adjustment in Round Four in conjunction with its preparation of a Housing Element and Fair Share Plan. Nothing herein should be construed as a waiver of those rights that are explicitly reserved.

An analysis of the lands identified by the DCA as being "developable" revealed several inaccuracies. In summary, these inaccuracies generally included lands which were: artifacts of error as described by the DCA; located on developed properties or those inaccessible due to environmental constraints; located on open space or common element properties; located on properties presently under construction; and located on properties with active site plan or approvals.

Correcting these inaccuracies adjusts the Borough's weighted land area from 23.8 acres to 7.063 acres. This adjustment to the Borough's weighted land area also adjusts the region's weighted land area from 1980 acres to 1964 acres. This results in an adjustment of the Borough's calculated share of the region's land capacity from 1.21% to 0.36%.

---

#### **4.1: Basis of Calculation**

As per the adopted legislation, a municipality's land capacity factor shall be determined by:

*"estimating the area of developable land in the municipality's boundaries, and regional boundaries, that may accommodate development through the use of the 'land use / land cover data' most recently published by the Department of Environmental Protection, data from the American Community Survey and Comprehensive Housing Affordability Strategy dataset thereof, 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 and weighing such land based on the planning area type in which such land is located. After the weighing factors are applied, the sum of the total developable land area that may accommodate development in the municipality and in the region shall be determined. The municipality's share of its region's developable land shall be its land capacity factor. Developable land that may accommodate development shall be weighted based on the planning area type in which such land is located."*

The legislation identifies the primary data sources and weighing factors to utilize in calculating a municipality's land capacity factor. However, unlike the equalized nonresidential valuation factor and the income capacity factor, the legislation did not establish a delineated process to combine the aforementioned data sources into one comprehensive and coherent formula.

The DCA subsequently released a workbook entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background" (herein referred to as the "DCA Workbook" or the "Workbook") which established that department's interpretation on how to calculate the land capacity factor. In summary, that workbook identified the following steps:

1. First, the DCA divided the weighing regions established by the legislation by municipality.
2. Next, land use/land cover areas were used to identify vacant, developable lands. The workbook identifies the codes and descriptions of the land use/land cover data used in this process. In short, they include: cropland and pastureland; orchards/vineyards/nurseries/horticultural areas; deciduous forest areas; coniferous forest areas; plantations; mixed forest areas; old field areas; phragmites dominate old field areas; deciduous brush/shrubland; coniferous brush/shrubland; mixed deciduous/coniferous brush/shrubland; severe burned upland vegetation; and undifferentiated barren lands.

3. These initial vacant, developable lands were then refined to remove rights-of-way as well as developed properties. For the latter, the DCA utilized MOD-IV tax data and selected underlying tax parcels with property class codes for residential, commercial, industrial, apartment, railroad, and school.
4. Construction permit data was then analyzed to capture more recent development activities that may not have otherwise been reflected by the land use/land cover data or MOD-IV tax data.
5. Other limiting factors were utilized to remove initial vacant, developable lands. These include open space, preserved farmland, category 1 waterways and wetlands (and associated buffers based on special area restrictions), steep slopes exceeding 15 percent, and open waters.
6. Due to limitations resulting from inconsistencies between data sources, the resulting DCA mapping included instances of small land areas caused by an incongruous alignment of geospatial layers. To eliminate these “slivers” of leftover land, DCA eliminated any segment with an area of less than 2,500 square feet. This presumed that a sliver with a minimum dimension of 25 by 100 feet could be a developable property.
7. Finally, the resulting land area for each municipality was summed with the resulting land areas for all other municipalities within each housing region to then determine the municipal percentage of land capacity for the housing region.

---

#### 4.2: Analysis of Calculation

The calculation conducted by the DCA determined that the Borough has 23.870 acres of developable land which accounts for a 1.21% share of the region's land capacity factor. Overall, the Borough finds the general methodology utilized by the DCA to calculate its land capacity factor acceptable. However, an analysis of the DCA's resultant mapping discovered the following:

1. Several of the lands identified as "developable" by the DCA represent slivers which "are considered artifacts of error that are common when overlaying polygons and vectors from non-coincident data sources." The DCA initially tried to eliminate these slivers by deleting any feature parts with an area of less than 2,500 square feet.
2. Other lands identified as "developable" by the DCA are located on properties with development. To eliminate "developable" lands on developable properties, the DCA had removed any lands where the underlying tax parcels had property class codes for residential, commercial, industrial, apartments, railroad, and school. However, the property classifications identified by the DCA did not account for houses of worship, properties developed with nonprofit facilities, and residential dwellings with associated farmland.
3. Several lands identified as "developable" by the DCA were in fact located on open space, common elements for homeowner's associations, or properties containing infrastructure (e.g. detention basins, utility improvements, rights-of-way, etc.).
4. Some developable areas did not account for areas restricted by regulated 100-year floodway areas of streams and other mapped watercourses.
5. There were several instances of lands identified as "developable" by the DCA being located on properties which are presently under construction. This is likely due to a lag in construction permit reporting.
6. Finally, lands identified as "developable" by the DCA are located on properties with active site plan or general development plan (GDP) approvals which are no longer available for development.

These discrepancies are summarized in Table 4 utilizing the Land Capacity Analysis and are detailed in Appendix A of this analysis. Removing these lands would adjust the Borough's weighted land area from 23.870 acres to 7.063 acres. This results in an adjustment of the Borough's calculated share of the region's land capacity from 1.21% to 0.36%.

Irrespective of the land capacity factor analysis established herein, the Borough reserves the right to conduct a vacant land adjustment (VLA) to determine its realistic development potential (RDP) at a later date.

Table 4: Summary of Land Capacity Factor Analysis

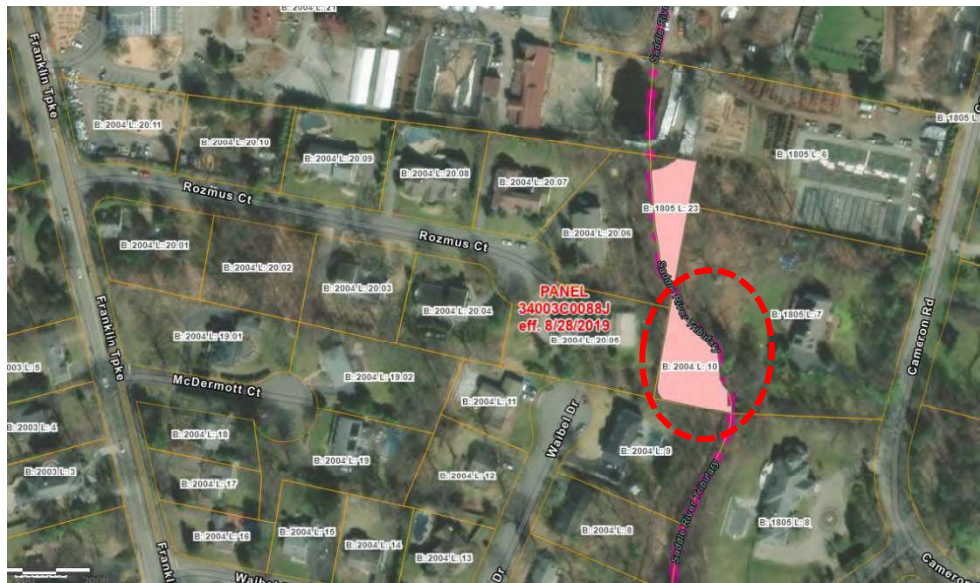
ID #	Shapefile Object ID*	Block	Lot	Initial Weighted Area	Status	Weighted Area Recalculated
1	28149	2004	10	0.251	Not Develop	0.000
2	28150	2001	1	0.096	Developable	0.096
3	28151	2003	19	1.212	Not Developable	0.000
4	28152	2004	34	0.183	Developable	0.183
5	28153	2101	4	2.383	Not Developable	0.000
6	28154	2101	4	0.196	Not Developable	0.000
7	28155	2101	4	0.358	Not Developable	0.000
8	28156	2008	11	0.095	Developable	0.095
9	28157	1503.01	14	0.805	Not Developable	0.000
10	28158	2103	4	2.555	Not Developable	0.000
11	28159	1406	19	0.186	Not Developable	0.000
12	28160	2103	32	0.690	Not Developable	0.000
13	28161	2103	30	0.378	Not Developable	0.000
14	28162	1604	15	3.928	Developable	3.928
15	28163	915	1	0.643	Not Developable	0.000
16	28164	912	3	1.026	Not Developable	0.000
17	28165	201	9	0.195	Not Developable	0.000
18	28166	301	28	0.262	Not Developable	0.000
19	28167	301	31	0.338	Not Developable	0.000
20	28168	303	14	0.799	Not Developable	0.000
21	28169	602	1	0.061	Not Developable	0.000
22	28170	301	33	0.313	Not Developable	0.000
23	28171	406	21.01	0.077	Not Developable	0.000
24	28172	203	1, 1.01	4.363	Not Developable	0.000
25	28172	303	1	2.600	Developable	2.600
26	28173	406	21.01	0.377	Constrained-reduced area	0.060
27	28174	411	21.01	0.101	Developable	0.101
					<b>TOTAL</b>	<b>7.063</b>

\* Object ID and area computations identified were obtained from the NJDCA published Vacant and Developable Land Analysis.

## Appendix A: Land Capacity Factor Detailed Review

The following illustrations show in more detail the specific mapping of all land capacity areas as identified in the DCA analysis provided through the Land Capacity Analysis for P.L. 2024, c.2. They are obtained from the web based ARCGIS online mapping utilizing feature layers (hosted) by NJDCA and incorporating other layer features available through NJDEP and ARCGIS Online services.

ID #1



Map 1: ID #1 (scale: 1" = 400')

ID #	Weighted Acres	Status	Weighted Acres - Recalculated
1	0.251	Not Developable	0.00
Analysis	ID #1 is undevelopable: Isolated lot no frontage and isolated by Saddle River tributary.		

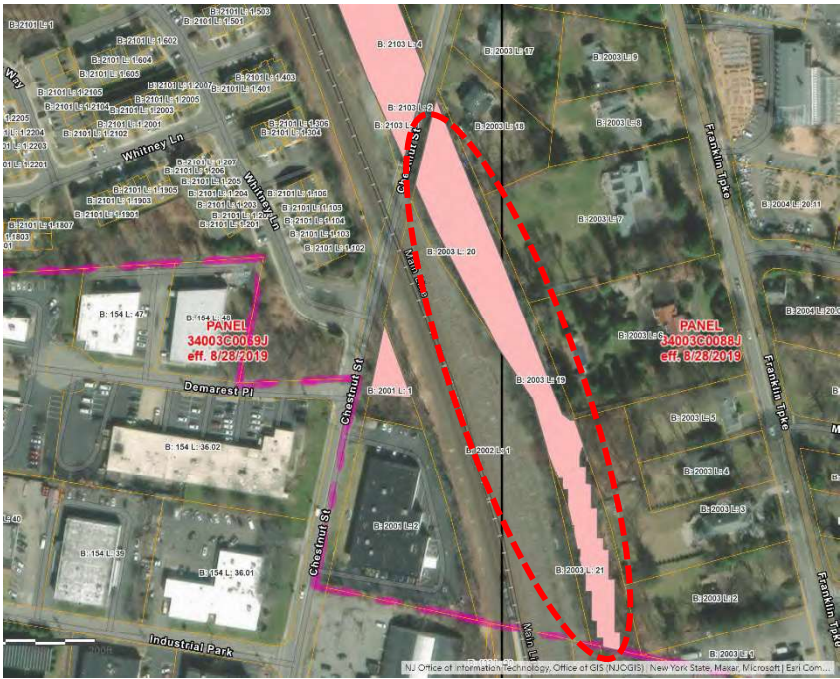
ID #2



Map 2: ID #2 (scale: 1" = 400')

ID #	Weighted Acres	Status	Weighted Acres - Recalculated
2	0.096	Developable	0.096
Analysis	ID #2 is this area is developable in accordance with the relevant land capacity criteria.		

ID #3



Map 3: ID #3 (scale: 1" = 400')

ID #	Weighted Acres	Status	Weighted Acres - Recalculated
3	1.212	Not Developable	0.000
Analysis	ID #3 is undevelopable Rockland Electric transmission line ROW.		