# Exhibit 1



# TOWNSHIP OF EAST BRUNSWICK

## **RESOLUTION # 25-63**

A RESOLUTION OF THE TOWNSHIP OF EAST BRUNSWICK ADOPTING FOURTH ROUND AFFORDABLE HOUSING OBLIGATIONS PURSUANT TO P.L. 2024, c. 2 AND FAIR HOUSING ACT, N.J.SA. 52:27D-302

WHEREAS, on March 20, 2024, Governor Murphy signed into law Bill A4/S50 (P.L. 2024, c. 2), which legislation amends the Fair Housing Act, N.J.SA. 52:27D-302 et. seq. and requires each municipality to provide its fair share of affordable housing obligation under the Mount Laurel Doctrine based on a new process and updated methodology; and

WHEREAS, on October 18, 2024, the New Jersey Department of Community Affairs (the "DCA") calculated the non-binding statewide and regional affordable housing needs and released a non-binding determination of each municipality's Fourth Round (2025 to 2035) affordable housing obligation as set forth in DCA's report, entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background" (the "DCA Report"); and

**WHEREAS**, as stated in the DCA Report, the Township of East Brunswick's non-binding Present Need obligation is 170 and that the Township's non-binding Prospective Need obligation is 314; and

WHEREAS, based on a review of the DCA Report and findings made by the Township Affordable Housing Planner, Kate Keller of Phillips Preiss (the "Township Planner"), it is recommended that the Township Council adopt a binding resolution accepting the Present Need obligation of 170; and

WHEREAS, based on a review of the DCA Report and findings made by the Township Planner, it is recommended that the Township Council to adopt a binding resolution determining a reduced municipal Prospective Need obligation of 265 based on a recalculation of the Land Capacity Allocation Factor to account for DCA's methodological errors and as supported by the Township's Planner's report and the Township's detailed mapping which are attached hereto and incorporated herein as Exhibit A; and

**WHEREAS**, the Township Planner has determined that the Land Capacity Allocation Factor must be adjusted from 175 acres to 40 acres by removing the following land which was improperly included as developable land in the DCA's calculation:

- (1) Areas or portions of areas <25' wide
- (2) Areas within the regulatory floodway;
- (3) Open space/parkland properties with deed restrictions and/or on Recreation and Open Space Inventory (ROSI);
- (4) Properties under construction or recently developed;
- (5) Sites with site plan approvals for development and/or permits issued for development;

- (6) Public utility parcels, NJDOT/NJ Turnpike Authority parcels, DRPA parcels, railroad properties, rights-of-way, areas used for stormwater management facilities, etc; and
- (7) Properties with easements restricting development within developable area.

**WHEREAS**, upon correcting the Land Capacity Allocation Factor from 175 acres to 44.7 acres, the Township's Prospective Need is 265 based on the approved Fourth Round Methodology.

**NOW, THEREFORE, BE IT RESOLVED,** by the Township Council of the Township of East Brunswick, that the Township of East Brunswick hereby accepts a Present Need obligation of 170 and a Prospective Need obligation of 265 as its Fourth Round (2025 to 2035) affordable housing obligation pursuant to P.L. 2024, c. 2 and the Fair Housing Act, N.J.SA. 52:27D-302 et. seq; and

**BE IT FURTHER RESOLVED** that certified copy of this Resolution be filed with the DCA and Administrative Office of the Courts within 48 hours upon adoption of this Resolution.

RECORDED VOTE OF COUNCIL						
Council Member	Motion	Second	Yes	No	Abstain	Absent
Behal			X			
McEvoy			X			
Wendell			X			
Winston	X		X			
Zimbicki		X	X			

## **CERTIFICATION**

This is to certify that this is a true and compared copy of a resolution adopted by the Municipal Council of the Township of East Brunswick on January 6, 2023.

**ADOPTED**: January 6, 2025

Tamar Lawful, Township Clerk

# **EXHIBIT A**

[SEE ATTACHED]

#### **MEMORANDUM**

To: Township of East Brunswick Mayor and Council

CC: Joseph Criscuolo, Business Administrator

Anthony Iococca, Esq., Township Attorney

From: Kate Keller, AICP, PP

Date: January 3, 2025

Re: Recommendations for East Brunswick Township to Address Proposed

Fourth Round Affordable Housing Obligations

This memorandum outlines the process by which East Brunswick Township seeks to establish their obligation for Fourth Round affordable housing compliance in response to legislation known as A4/S50, which was signed into law by Governor Murphy on March 20, 2024.

As mandated by A4/S50, the New Jersey Department of Community Affairs (DCA) has calculated non-binding statewide and regional affordable housing needs, including municipal obligations, for all New Jersey municipalities. These non-binding determination of each municipality's Fourth Round (2025 to 2035) affordable housing obligations were released on October 18, 2024, in advance of the statutory October 20, 2024 deadline. DCA's proposed non-binding obligations for East Brunswick are discussed below, along with our analysis and recommendations pertaining to each one.

#### **Present Need**

DCA's proposed non-binding Present Need obligation for East Brunswick is 170. Present need, also known as the rehabilitation obligation, is defined in A4/S50 as the number of substandard existing deficient housing units in the municipality currently occupied by low- and moderate-income (LMI) households.

These calculations utilize a number of factors that are explained in great detail in the "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background" document released by DCA on October 18, 2024. In short, the methodology is very similar to that used for the prior third round calculation of present need, updated to reflect the most current Census and similar datasets. The overall calculation is complex and based on a number of estimates, since no single dataset contains all required information used to determine "substandard" or "deficient" housing (e.g., lack of kitchen/plumbing facilities, overcrowded dwellings, and over 50 years old). The methodology as described by DCA yielded the Present Need obligation of 170 for East Brunswick. We have reviewed the calculations that resulted in this

number and do not believe there are any errors that warrant a challenge by the Township.

#### **Prospective Need**

DCA's proposed non-binding Prospective Need obligation for East Brunswick is 314. As described in the "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background" report, municipal Prospective Need obligations are calculated as a share of the region in which the municipality is located. Region 3, in which East Brunswick is located, includes Hunterdon, Middlesex and Somerset Counties. As established by A4/S50, the regional Prospective Need is calculated by establishing the increase in households in the region between the 2020 and 2010 federal decennial Census, and dividing the household change increase by 2.5 to estimate the number of low- and moderate-income households (and the number of homes needed to address same).

The Prospective Need for Region 3 is 11,604, with this need allocated to municipalities throughout the region, except for designated Qualified Urban Aid Municipalities, which are exempt from addressing Prospective Need. Regional Prospective Need is then allocated across the non-qualified urban aid municipalities in the region by applying three factors:

## **Equalized Nonresidential Valuation**

This factor is the change in nonresidential property valuations in the municipality from 1999 to 2023 divided by the regional total change in nonresidential valuations, with the intent to shift housing to municipalities experiencing employment growth. This factor for East Brunswick is 3.09%. We have reviewed the calculations that resulted in this number and do not believe there are any errors that warrant a challenge by the Township.

#### **Income Capacity**

This factor incorporates median household income figures to measure the extent to which a municipality's income level differs from that of the lowest-income municipality in its housing region, with the intent to shift portions of the obligation to municipalities with higher household incomes. This factor for East Brunswick is 3.44%. We have reviewed the calculations that resulted in this number and do not believe there are any errors that warrant a challenge by the Township.

# **Land Capacity**

This factor purports to determine the total acreage that is developable in a municipality as a proportion of developable acreage in the Region. This is determined by utilizing the most recent land use / land cover data from the New Jersey Department of Environmental Protection (DEP), in combination with the most recently available MOD-IV Property Tax List data from the Division of Taxation in the Department of the Treasury and construction permit data from DCA. The calculation is supposed to exclude lands subject to development limitations, including but not limited to existing developed

land. lands with environmental constraints, and lands deeded for open space purposes.

This methodology, as specified in A4/S50, is similar to that of prior rounds, including "weighting factors" that are applied to developable lands based on the planning area type in which such land was located. The majority of the Township is located in PA-1 (Metropolitan Planning Area), reflecting the more developed nature of the northern and eastern portions of East Brunswick. PA-1 is weighted as 1, meaning there is no reduction. However, the southwestern portion of the Township is located in PA-4 (Rural Planning Area) and PA-5 (Environmentally Sensitive Planning Area), both of which are weighted as 0 and therefore not included in the developable acreage calculation.

This factor for East Brunswick is 1.69%.

#### Final Prospective Need Calculation

The Equalized Nonresidential Valuation Factor, Land Capacity Factor and Income Capacity Factor for each municipality were averaged to determine an Average Allocation Factor, which is the basis for municipal Prospective Need. East Brunswick's Average Allocation Factor is 2.71%, which results in a Prospective Need of 314. This is the municipality's obligation to provide new units within the next 10 years.

#### **Analysis of East Brunswick's Obligations**

#### **Present Need**

We have reviewed the calculations that resulted in the present need obligation of 170 and do not believe there are any errors that warrant a challenge by the Township.

RECOMMENDATION: Township Council to adopt binding resolution accepting the Present Need obligation of 170 units.

# **Prospective Need**

It is our opinion that the Township's Prospective Need obligation should be lower than the DCA's non-binding obligation due to issues with DCA's calculations. Specifically, the Land Capacity factor is based on an acreage that categorizes a number of areas in the Township as "developable" when in reality they are not.

The DCA issued the data that was the basis for the land allocation factor on November 27th. While this data was intended to heed the methodology set forth in A4/S50, the land area contained in the dataset was described as an "estimate of 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."

The areas identified as developable in the DCA's calculation of the Land Capacity factor is overinclusive per our analysis. Accordingly, it is our opinion that the land capacity

allocation factor should be adjusted from  $\pm 175$  acres to  $\pm 44.7$  acres. In short, our analysis set forth this basis for removing land treated as developable in the DCA's calculation:

- Areas or portions of areas <25' wide (i.e., DCA's methodology report states that a 25' by 100' area was their minimum threshold for developability).
- Areas within the regulatory floodway.
- Open space/parkland properties with deed restrictions and/or on ROSI.
- Properties under construction or recently developed.
- Sites with site plan approvals for development and/or permits issued for development.
- Public utility parcels, NJDOT/NJ Turnpike Authority parcels, DRPA parcels, railroad properties, rights-of-way, stormwater management, etc.
- Properties with easements restricting development within developable area.

When this correction is made and inputted into the overall Regional Fourth Round Calculations, East Brunswick's Prospective Need number should be 265, as opposed to 317. Detailed maps and tables indicating the adjusted acreage are attached an appendix to this memo.

RECOMMENDATION: Township Council to adopt binding resolution determining reduced municipal Prospective Need obligation of 265 units based on recalculation of Land Capacity Factor to account for methodological errors, and supported by detailed mapping.

Attachment: Appendix A – Table of Lands to be Removed from East Brunswick Township Developable Acreage for Purposes of Calculating Prospective Need per A4/S50.

Appendix A – Table of Lands to be Removed from East Brunswick Township Developable Acreage for Purposes of Calculating Prospective Need per A4/S50

DCA Feature Identification	Key Identification	Developable Acreage (Per DCA)	Comment
34250	1	0.322	Developed
34251	2	2.214	Approved Development Application
34254	3	10.232	Approved Development Application
34255	4	1.089	EBWSU - Sanitary Pump Station
34256	5	0.104	Township Open Space
34258	6	0.257	Floodway
34264	7	0.069	NJTA
34265	8	1.751	NJTA
34266	9	1.174	Developed
34267	10	1.583	NJDOT
34271	11	0.075	Township Open Space
34272	12	0.673	East Brunswick Municipal Complex
34275	13	14.148	Township Open Space
34277	14	1.441	Middlesex County ROW
34278	15	0.065	Middlesex County ROW
34279	16	0.088	Middlesex County ROW
34280	17	0.567	Middlesex County ROW
34281	18	0.095	Middlesex County ROW
34282	19	0.285	Middlesex County ROW
34284	20	0.257	Middlesex County ROW
34287	21	0.064	Less than 25 feet in width
34288	22	0.109	Less than 25 feet in width
34291	23	8.635	Approved per Settlement Agreement
34293	24	1.430	<b>Development Under Construction</b>
34294	25	0.727	<b>Development Under Construction</b>
34295	26	1.058	Easement
34297	27	0.448	Detention Basin
34301	28	0.179	Detention Basin
34304	29	0.303	Wetlands
34307	30	0.338	Developed
34314	31	0.362	Development Under Construction
34315	32	0.287	Development Under Construction
34316	33	0.276	Development Under Construction
34317	34	0.107	Development Under Construction
34318	35	0.097	Development Under Construction
34319	36	0.109	<b>Development Under Construction</b>
34320	37	0.471	<b>Development Under Construction</b>
34321	38	0.304	Development Under Construction
34322	39	1.293	Development Under Construction
34323	40	0.089	Wetlands
34325	41	1.084	Development Under Construction

Appendix A – Table of Lands to be Removed from East Brunswick Township Developable Acreage for Purposes of Calculating Prospective Need per A4/S50

DCA Feature Identification	Key Identification	Developable Acreage (Per DCA)	Comment
34326	42	0.113	<b>Development Under Construction</b>
34327	43	0.060	<b>Development Under Construction</b>
34328	44	0.074	<b>Development Under Construction</b>
34329	45	3.416	<b>Development Under Construction</b>
34330	46	2.177	<b>Development Under Construction</b>
34331	47	2.779	<b>Development Under Construction</b>
34332	48	0.109	Public Development Under Construction
34333	49	3.633	<b>Development Under Construction</b>
34334	50	0.191	<b>Development Under Construction</b>
34336	51	0.266	Wetlands
34337	52	6.657	Public Development Under Construction
34338	53	0.584	Wetlands
34339	54	3.916	Township Utility Facility
34340	55	1.144	Floodway
34341	56	0.255	State of NJ (Exempt) - Rutgers Farm
34342	57	0.163	State of NJ (Exempt) - Rutgers Farm
34343	58	0.179	Wetlands - Drainage Ditch
34344	59	2.197	State of NJ (Exempt) - Rutgers Farm
34345	60	0.083	State of NJ (Exempt) - Rutgers Farm
34346	61	0.195	Wetlands - Drainage Ditch
34347	62	3.624	State of NJ (Exempt) - Rutgers Farm
34348	63	1.226	State of NJ (Exempt) - Rutgers Farm
34349	64	0.217	State of NJ (Exempt) - Rutgers Farm
34351	65	0.336	State of NJ (Exempt) - Rutgers Farm
34352	66	0.064	<b>Development Under Construction</b>
34353	67	0.128	<b>Development Under Construction</b>
34354	68	0.089	<b>Development Under Construction</b>
34355	69	0.085	State of NJ (Exempt) - Rutgers Farm
34356	70	0.378	State of NJ (Exempt) - Rutgers Farm
34357	71	0.070	State of NJ (Exempt) - Rutgers Farm
34358	72	0.183	State of NJ (Exempt) - Rutgers Farm
34359	73	0.427	State of NJ (Exempt) - Rutgers Farm
34360	74	0.068	State of NJ (Exempt) - Rutgers Farm
34361	75	0.888	State of NJ (Exempt) - Rutgers Farm
34363	76	0.602	Pipeline Easement
34365	77	10.819	Developed
34368	78	1.094	MCUA Property - Landfill
34369	79	0.219	NJTA Stormwater Facility
34370	80	0.371	MCUA Property - Wetlands & Landfill
34371	81	0.243	MCUA Property - Wetlands & Landfill
34372	82	0.244	MCUA Property - Landfill

Appendix A – Table of Lands to be Removed from East Brunswick Township Developable Acreage for Purposes of Calculating Prospective Need per A4/S50

DCA Feature Identification	Key Identification	Developable Acreage (Per DCA)	Comment
34373	83	0.173	MCUA Property - Wetlands & Landfill
34374	84	0.437	Pipeline Easement
34375	85	9.965	MCUA Property - Landfill
34376	86	0.199	MCUA Property - Landfill
34378	87	0.083	MCUA Property - Landfill
34379	88	1.851	MCUA Property
34380	89	1.037	MCUA Property - Landfill
34381	90	0.340	MCUA Property - Landfill
34382	91	5.238	MCUA Property - Landfill
34383	92	0.216	NJTA Stormwater Facility
34384	93	6.083	MCUA Property - Wetlands & Landfill
34385	94	0.087	City of New Brunswick Water Utility

Total: 129.5 Acres to be removed from  $\pm 174$ -acre DCA developable acreage

Final Developable Acreage: 44.7