

RESOLUTION NO: # 051-25

**RESOLUTION SETTING 4TH ROUND AFFORDABLE HOUSING OBLIGATIONS
FOR THE TOWNSHIP OF GALLOWAY**

WHEREAS, on March 20, 2024, the New Jersey Legislature adopted legislation known as P.L.2024, c.2, which set forth a procedure for calculating the 4th Round affordable housing obligation for municipalities, and which required this calculation to be adopted by the governing body of a municipality by way of Resolution; and

WHEREAS, N.J.S.A. 52:27D-304.1(a) allows the municipality to take into consideration the calculations published by the New Jersey Department of Community Affairs (“DCA”) when determining the municipal Present Need and Prospective Need obligations and requires the basis for the municipality’s determination to be set forth in a Resolution; and

WHEREAS, in December 2024, DCA released its proposed calculations for municipal Present Need and municipal Prospective Need and determined that Galloway Township’s Present Need is 260 units and its Prospective Need is 89 units; and

WHEREAS, the Township of Galloway has determined that the DCA’s proposed calculation of 260 units for municipal Present Need for Galloway is reasonable because:

- (a) N.J.S.A. 52:27D-304.2(a) and N.J.S.A. 52:27D-304.3(a) & (b) requires that municipal Present Need “be determined by estimating the deficient housing units occupied by low- and moderate-income households in the region...” using a methodology similar to the methodology used to determine 3rd Round municipal Present Need, using the most recent dataset of the American Community Survey (ASC) and the Comprehensive Housing Affordability Strategy (CHAS) dataset of the federal decennial census; and
- (b) As set forth in N.J.A.C. 5:94, present need was determined by considering the following characteristics: “(1) *Persons per Room*. 1.01 or more persons per room in housing units built 1939 or before. These are old units that are overcrowded. (2) *Plumbing Facilities*. Inadequate plumbing sufficient for rehabilitation is indicated by incomplete plumbing facilities, i.e., lack of hot and cold piped water, flush toilet or bathtub/shower. (3) *Kitchen Facilities*. Inadequate kitchen facilities signaling rehabilitation are indicated by the non-presence of kitchen facilities within the unit, or the nonpresence of one of three components: a sink with piped water, a stove, or a refrigerator[.]” and
- (c) N.J.A.C. 5:97 changed the overcrowding methodology to include any house that is over 50 years old, and since the 4th Round starts in 2025, the overcrowding methodology should include houses that were built in 1975 or older; and

- (d) The DCA's calculation of Galloway's Present Need of 260 units was calculated based on the data from the American Community Survey from 2017-2021 ("ACS") and the Comprehensive Housing Affordability Strategy from 2017-2021 ("CHAS"), which is the most current dataset available from the federal decennial census, and extrapolating data from the Public Use Microdata Areas ("PUMA") applicable to each municipality; and
- (e) The DCA's calculation of Galloway's Present Need of 260 units took into consideration overcrowded housing units built in 1980 and earlier, as well as all units lacking complete plumbing and kitchens; and
- (f) The DCA's Present Need calculation because it was calculated in accordance with the requirements of N.J.S.A. 52:27D-304.2(a) and N.J.S.A. 52:27D-304.3(a) & (b); and

WHEREAS, the Township of Galloway has determined that the DCA's proposed calculation of 89 units for municipal Prospective Need for Galloway is reasonable because:

- (a) N.J.S.A. 52:27D-304.2(b)(1) provides that the Fourth Round municipal Prospective Need shall run from the period of July 1, 2025 through June 30, 2035, and Region 6 consists of Atlantic, Cape May, Cumberland and Salem County ("Region 6"); and
- (b) N.J.S.A. 52:27D-304.2(b)(2) requires calculating regional Prospective Need by determining the projected household change for the 4th Round period by calculating the household change between the most recent federal decennial census and the second-most recent federal decennial census, and dividing the result by 2.5; and
- (c) DCA has calculated the Region 6 Regional Need to be 1,889 housing units based on the 2010 and 2020 Census data, and the 2020 Census is the most recent federal decennial census and 2010 is the second-most recent federal decennial census; and
- (d) The DCA's Region 6 Regional Need calculation of 1,889 housing units is consistent with the methodology and data sources required in N.J.S.A. 52:27D-304.2(b)(2); and
- (e) N.J.S.A. 52:27D-304.3(c) requires calculation of the municipal Perspective need by calculating: (1) the municipality's equalized nonresidential valuation factor; (2) the municipality's income capacity factor; and (3) the municipality's land capacity factor; and
- (f) A municipality's equalized nonresidential valuation factor is to be calculated pursuant to N.J.S.A. 52:27D-304.3(c)(2) by calculating the changes in the nonresidential property valuations within the municipality using data from the Division of Local Government Services, beginning in 1999 and dividing it by the region's change in equalized nonresidential valuation; and

- (g) DCA calculated the municipal equalized nonresidential valuation using data from the NJ Division of Local Government Services, 1999 and 2023 Property Value Classification Files, and determined that Galloway Township's nonresidential valuation factor was calculated as 4.7%; and
- (h) N.J.S.A. 52:27D-304.3(c)(3) requires the municipal income capacity factor to be determined using data from the most recent American Community Survey; and
- (i) DCA calculated the income capacity factor utilizing Table S1903 of the Census Bureau's American Community Survey 2018-22 5-Year Estimates, which was the most recent data set available for all municipalities and determined that Galloway Township had an income capacity factor of 4.96%; and
- (j) N.J.S.A. 52:27D-304.3(c)(4) requires the municipal land capacity factor to be determined using the "land use / land data cover data" most recently published by the Department of Environment Protection, American Community Survey and Comprehensive Affordability Strategy dataset; MOD-IV Property Tax List data from the Division of Taxation, and construction permit data from the DCA; and
- (k) DCA calculated the land capacity factor by utilizing the most recent land use / land cover (LULC) data from the New Jersey Department of Environmental Protection (DEP), the most recently available (released in 2024) MOD-IV Property Tax List data from the Division of Taxation in the Department of the Treasury, and the most recent available construction permit data from the Department of Community Affairs and determined that Galloway Township has a land capacity factor of 4.5%; and
- (l) Upon averaging Galloway Township's land capacity factor, nonresidential development factor and income capacity factor, Galloway Township's average allocation factor is 4.71%; and
- (m) Applying Galloway Township's average allocation factor of 4.71% to the Region 6 Regional Need of 1,889 results in a Prospective Need obligation for Galloway Township of 89 units; and
- (n) The DCA's Prospective Need calculation of 89 units for Galloway Township is consistent with the methodology and data sources required in N.J.S.A. 52:27D-304.2(c)(2), (3), (4) and (5); and

WHEREAS, the Township's affordable housing professionals have reviewed the Present Need calculations and Prospective Need calculations published by the DCA and have recommended that the Township adopt these calculations as the Township of Galloway's 4th Round affordable housing obligations; and

WHEREAS, the Township of Galloway has determined that it is in the best interests of Galloway Township to accept the Present Need and Prospective Need obligations as calculated by the DCA for the 4th Round.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Council of the Township of Galloway, as follows:

1. The foregoing recitals are incorporated herein by reference as if fully set forth at length.
2. The Mayor and Township Council have determined that it is in the best interests of the Township to set is 4th Round municipal affordable housing obligations pursuant to the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq. as follows:

Present Need = 260 units

Prospective Need = 89 units

3. The Township's calculation of need is subject to a reservation of the following rights including, without limitation,
 - a) The right to adjust the Township's calculation of need based on a windshield survey, lack of land, sewer, water, regional planning inputs, or any combination thereof;
 - b) All rights to revoke or amend this Resolution in the event of a successful legal challenge, or legislative change, to the applicable provisions of the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.;
 - c) All rights to take any contrary position in the event of a third party challenge to the obligations;
 - d) The right to adjust the Township's calculation of need in the event that any future legislation adjusts the Township's 4th Round obligation, including any change to the methods of calculating the 4th Round obligation;
 - e) The right to adjust the Township's calculation of need in the event that any decisions of a court of competent jurisdiction from any pending or future litigation adjusts the Township's 4th Round obligation, including any change to the methods of calculating the 4th Round obligation;
 - d) All rights to review and adjust unmet Prior Round Need and compliance mechanisms during the review and adoption of the Housing Element and Fair Share Plan.

4. Maley Givens, P.C. is directed to file a Complaint for Declaratory Judgment and to file a copy of this Resolution with the Affordable Housing Alternative Dispute Resolution

Program as required by the Amended FHA.

5. The Township Clerk is directed to publish a copy of this Resolution on the Township's website and to take any and all action necessary to proceed with the preparation and adoption of the Township's Housing Element and Fair Share Plan for filing by June 30, 2025, in accordance with N.J.S.A. 304.1(f)(1)(2) & (f)(2)(a).

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

Certified to be a true copy of a Resolution adopted by the Council of the Township of Galloway, County of Atlantic, State of New Jersey on the 21st day of January, 2025.

TOWNSHIP OF GALLOWAY

Kelli Danieli, RMC /s/
Kelli Danieli, RMC
Township Clerk

Recorded Vote:	MOTIONS	AYE	NAY	ABSTAIN	ABSENT
Amato		X			
Bassford					X
Clute		X			
DiPietro		X			
Sudler	1	X			
Umar	2	X			
Coppola		X			