## **OPEN LETTER**

From: Mayor Stuart Patrick
To: Residents of Glen Ridge

Re: Glen Ridge's Affordable Housing Situation

Date: December 6, 2016

This letter is being written and disseminated for Glen Ridge residents and relates to an important issue which must soon be decided by the Glen Ridge Mayor and Council.

## WE URGE EVERY RESIDENT TO TAKE THE TIME TO READ THIS LETTER.

A special meeting on this matter is scheduled for December 12, 2016, at 7:30 PM in the municipal building. At that time, Elizabeth McKenzie, a court-appointed Special Master, will discuss the general impact that New Jersey's affordable housing mandate will have on the Glen Ridge community. More importantly, the Special Master will also discuss the specific and more immediate impact which arises from the ongoing builder's remedy affordable housing lawsuit brought against Glen Ridge by Plaintiff Glen Ridge Developers, LLC. That action is now pending before the Superior Court of New Jersey, Essex County/Law Division, under docket #L-5308-15 (the "Builder's Remedy Proceeding") and involves approximately 2.2 contiguous acres designated as Tax Block 72/Lot 2 (a/k/a 283 Baldwin Street), Tax Block 72/Lot 3 (a/k/a 275 Baldwin Street), Tax Block 72/Lot 4 (a/k/a 273 Baldwin Street), Tax Block 72/Lot 9 (a/k/a 275 Baldwin Street) and Tax Block 72/Lot 10 (a/k/a 289 Baldwin Street), collectively, the "Baldwin Street Properties".

Residents are invited to attend the meeting and/or view it on Comcast Channel 36 or FiOS Channel 38.

Like most suburban New Jersey municipalities, Glen Ridge is confronted with the issue of affordable housing. New Jersey municipalities, including Glen Ridge, have a state-mandated constitutional obligation to create a realistic opportunity for the construction of their fair share of housing, affordable to low and moderate income households. As it relates specifically to Glen Ridge, this obligation includes the needs of Glen Ridge's own community (indigenous needs) and Glen Ridge's fair share of the region's prospective need for affordable housing. If this obligation is not met, implementation of the obligation can come from the court and include a courtmandated requirement to change the character of existing Glen Ridge residential properties notwithstanding their residential zone classification. The court mandate would allow the construction and development of a mixture of both affordable and "market" priced housing units on R-1 single-family zoned properties – even over the objection of the Glen Ridge Mayor and Council. The size of a court-ordered project could well exceed what Glen Ridge might have otherwise envisioned for those properties had Glen Ridge been able to act without court mandate. Municipalities that fight builder's remedy lawsuits run the risk (and suffer the monetary and societal consequences) of protracted and costly litigation, fee-shifting in which the affected municipality is ordered to bear all costs of the litigation (regardless whether such costs were incurred by the developer or by the municipality), court orders mandating the construction of projects larger than what could have been negotiated, and the commencement of additional builder's remedy lawsuits if total affordable housing needs remain unmet despite the construction of the project being litigated.

What follows is an attempt to simplify and explain the history and current state of affordable housing obligations in New Jersey. What brought us to this point? What issues are before

Glen Ridge? What are the implications of our possible actions? In no way is this a complete and detailed analysis of the issue that has developed in New Jersey or Glen Ridge over the past forty years and it cannot be fully explained in a letter of this nature. Some sense of the complexity may be seen in the "Affordable Housing Timeline" that is appended at the end of this letter. The details of that timeline, and the various court cases and other references mentioned in that timeline, must be reviewed and then further studied in detail by anyone who seeks real understanding of affordable housing issues in New Jersey.

Although Glen Ridge has no vacant land available for the construction and development of affordably priced housing units, New Jersey's affordable housing issues have nonetheless directly impacted Glen Ridge because of the pendency of Glen Ridge Developers' Builder's Remedy Proceeding brought against Glen Ridge. As set forth above, that litigation involves the Baldwin Street Properties, each of which is a single family home and none of which was previously available for the construction of multi-family housing. Glen Ridge Developers has acquired rights to these properties and seeks to assemble and consolidate them into one 2.2 acre parcel, thereby "creating" and making available for a mix of market rate and affordable housing land in Glen Ridge that had not been available for this purpose before. This is a changed circumstance which directly affects Glen Ridge's affordable housing obligations. This litigation and its impact on Glen Ridge will be more fully addressed below.

The affordable housing, or "Mt. Laurel", obligation started with a 1975 constitutional decision by New Jersey's Supreme Court involving Mt. Laurel Township. In 1983, the Supreme Court, displeased with progress under its 1975 Mt. Laurel decision, assigned implementation of affordable housing obligations to the courts. Although the Supreme Court acknowledged that courts are not well equipped to function as an administrative agency, the Supreme Court found that there was no other agency available to take on the task.

Responding to the difficulties which arose from the courts' supervision of municipalities' "Mt. Laurel" obligations, the New Jersey Legislature passed the Fair Housing Act ("FHA") in 1985, and the Supreme Court determined in 1986 that the FHA was an appropriate mechanism for implementing affordable housing requirements. Under the FHA, the Council on Affordable Housing ("COAH") was established as the New Jersey agency responsible for setting rules and administering municipal affordable housing obligations. COAH was tasked with establishing the rules and procedures for municipalities to follow and, among other duties, calculating each municipality's affordable housing obligation, deciding how many affordable housing units each town must create during specific time periods or "rounds", and determining the methodology towns must use in creating those housing units.

COAH's first round of substantive regulations, N.J.A.C. 5:92, addressed the municipal fair share obligations during the time period from 1987 through 1993. Glen Ridge participated in the first round proceedings and obtained substantive first round certification from COAH on January 29, 1990, by creating a realistic opportunity for the creation of 25 affordable units within its borders. These 25 affordable units have not been built.

COAH's last approved round of substantive regulations was the second round. These regulations, N.J.A.C. 5:93, addressed the municipal fair share obligations during the time period of 1987 through 1999. Glen Ridge did not file with COAH or petition COAH for substantive certification under COAH's round two regulations. Glen Ridge did not participate or seek second round certification because nothing had changed in the conditions which existed at the time of Glen Ridge received round one certification. Glen Ridge continued essentially to have no vacant land on which to construct affordable housing.

After the end of the second round, COAH embarked on a series of policy and program changes that would be implemented in the third round of affordable housing rules and regulations. COAH's original third round regulations, N.J.A.C 5:94, were adopted on December 20, 2004, and addressed the time period of 1987 through 2014. Because COAH's third round rules materially differed from the first and second round rules, they were challenged on many fronts. The original third round regulations were invalidated by the Appellate Division of the NJ Superior Court. In 2008, COAH adopted revised third round substantive regulations, N.J.A.C. 5:97, and addressed the time period of 1987 through 2018. These third round regulations were invalidated by the Appellate Division and the New Jersey Supreme Court. The New Jersey Supreme Court ordered COAH to adopt regulations consistent with COAH's first and second round methodology by a date certain.

Until these rules were approved, municipalities could not move ahead on their third round affordable housing obligations. Glen Ridge did not file with COAH or petition COAH for substantive certification under COAH's round three regulations. As with the round two rules and regulations, Glen Ridge did not seek substantive certification because Glen Ridge continued to have no vacant land on which to construct affordable housing.

COAH did not adopt any regulations in response to the New Jersey Supreme Court's order that COAH adopt regulations consistent with COAH's first and second round methodology. As a result, the New Jersey Supreme Court ruled on March 10, 2015, that COAH was a non-functioning State agency. As part of that ruling, the Court determined that a developer no longer had an obligation to exhaust administrative remedies before COAH, and the Supreme Court established a transitional process for municipalities that either received third round substantive certification from COAH or had a petition for substantive certification pending at COAH when the March 10, 2015, decision was issued.

The ruling required that every town looking to participate in the affordable housing process and seeking to protect itself from expensive "builders' remedy" lawsuits, file with the courts a "Declaratory Judgment" action by July 8, 2015. By initiating a Declaratory Judgment proceeding, a municipality gives notice to the courts that the municipality is preparing to comply with the mandates of affordable housing. A municipality would have complied with the court ruling by developing and filing a "constitutionally compliant" housing plan by December 8, 2015, in which the municipality demonstrates how it intends to comply with its affordable housing requirements. Municipalities that filed a Declaratory Judgment before July 8<sup>th</sup> are protected from developer lawsuits for a temporary period. The concept was that once the Declaratory Judgment was reviewed and approved by the court, the municipality would then be further protected from developer lawsuits so long as it fulfilled a "constitutionally compliant" housing plan approved by the court.

Unlike past COAH affordable housing rounds, the Supreme Court's March 2015 decision did not provide rules or methodology, other than some general reference to attempting consistency with the FHA, for municipalities to use in developing their plans.

Methodologies existed in prior rounds that are undefined in the current court-supervised situation, including the number of affordable housing units a developer must build (at the developer's cost) in relation to the number of market (non-affordable housing) units. In the past a municipality could assume that for every 10 units a developer built, the municipality would get 2 affordable housing units, what has been called a "set aside" of 20%. Currently, the court may require only a set aside of as little as 10% affordable units, 1 affordable unit for every 10 built. In past affordable housing rounds, a municipality could get rental bonuses for affordable units. Because rental units were considered more affordable to low and moderate income

families, a municipality would be provided unit credit, or bonus unit count, against their unit obligation if they developed more rental units as opposed to "for sale" units.

Other rules/methodologies existed that provided an outline of what towns could and could not do when making a plan to meet their affordable housing obligation. Without such rules, every municipality in the State is seemingly expected to craft a housing plan with no clear idea of what the courts will accept.

For these reasons, the December 8, 2015, deadline has been extended and litigation seeking a determination of the actual amount of affordable housing which each municipality must provide and the methodology for its calculation has been winding through the New Jersey court system.

Many Essex County municipalities that had been participating in third round substantive certification from COAH filed a Declaratory Judgment action to obtain temporary immunity from developer lawsuits. These cases have all been consolidated and have been in active review by a specially assigned Essex County judge. Glen Ridge was precluded from filing a Declaratory Judgment action for temporary immunity because it had not participated in either second round or third round substantive certification from COAH.

Those Essex County municipalities (like Glen Ridge) that did not participate in third round substantive certification from COAH and/or who, even if participating, failed to file a Declaratory Judgment action for temporary immunity were subject to developer's lawsuits. As a result (and not surprisingly), a rash of builder's lawsuits has arisen throughout the state. The Builder's Remedy Proceeding brought against Glen Ridge by Glen Ridge Developers is one such suit. Because Glen Ridge continued to have no vacant land on which to construct affordable housing, the Supreme Court's March 10, 2015, decision initially had only passing interest to Glen Ridge.

However, notwithstanding Glen Ridge's continuing lack of vacant land on which to construct affordable housing, Glen Ridge Developers has "created" other land on which to construct affordable housing. Glen Ridge Developers has done this by purchasing or acquiring the right to purchase all five of the Baldwin Street Properties. In its lawsuit commenced in July 2015, Glen Ridge Developers proposed building 125 housing units on the Baldwin Street Properties, of which 19 would be considered COAH qualified. Glen Ridge has at all times opposed this plan. The existing Baldwin Street Properties are all single family dwelling units and are not zoned for the density of the development proposed by Glen Ridge Developers. Cognizant of Glen Ridge's opposition, the court appointed Elizabeth McKenzie as Special Master to review the positions of Glen Ridge Developers and Glen Ridge and to report her findings and her recommendations to the court. She will discuss this in part at the meeting on Monday, December 12, 2016.

It is important to note that Glen Ridge's failure to participate in round two and round three certification proceedings has not been detrimental to Glen Ridge. Glen Ridge's Builder's Remedy Proceeding was partially consolidated with the cases of those other Essex County municipalities enjoying stays from builder's remedy proceedings because they had in fact participated in round two and round three certification proceedings. As a result of that consolidation, Glen Ridge Developers became subject to (and Glen Ridge has enjoyed the benefit of) the same moratorium, a moratorium that has continued for almost 1½ years. In short, Glen Ridge obtained all of the benefits of having participated in round two and round three certification proceedings even though Glen Ridge had not done so. The Builder's Remedy Proceeding is stayed until the common issues presented in the consolidated proceeding are resolved. To this end, Glen Ridge hired on an interlocal basis an expert, Econsult Solutions Inc. That expert is assisting Glen Ridge and the other affected Essex County municipalities in the determination of their fair share of affordable housing using a methodology consistent for all

municipalities. Econsult Solutions was engaged to assure that Glen Ridge would not be treated differently from other Essex County municipalities. After existing for almost 1½ years, the moratorium period is already past its original lapse date and some courts in other counties have begun to re-open proceedings such as the Builder's Remedy Proceeding and have imposed aggressive deadlines and litigation schedules. As recently as December 6, 2016, the Essex County court has indicated it may go in a similar direction.

At this point, there exists a wide variance between the analysis performed by Glen Ridge's expert Econsult Solutions and the analysis found by Fair Share Housing Center. Fair Share Housing Center is a private affordable housing advocate whose input the court has required and without whose consent a negotiated resolution cannot occur. In its May 2016 report, Fair Share Housing Center claims that Glen Ridge has a prior round obligation of 28, a present need (rehab) of 33, a "gap" period need of unspecified amount to be determined and a prospective need of 404 affordable housing units, for a total of 465 affordable housing units (with the "gap" period adjustment still to be determined). In contrast, in its May 16, 2016, report, Glen Ridge's consortium expert Econsult Solutions found Glen Ridge to have a prior round obligation of 28, a present need (rehab) of 24, no "gap" requirement and a prospective need of 10, for a total of 62 affordable housing units.

A summary, in table format, of the contrast between Econsult Solutions and Fair Share Housing Center, is as follows:

Econsult Reports	Prior Round Obligation	Present Need (Rehab)	Gap Period Need (1999- 2015)	Prospective Need	Summary Obligation
May 2016	28	24	0	10	62

FSHC	Prior Round Obligation	Present Need (Rehab)	Gap Period Need (1999- 2015)	Prospective Need	Summary Obligation
May 2016	28	33	to be deter- mined	404	465 (with the "gap" need to be determined)

At this point, it would be impossible for Glen Ridge to meet its affordable housing obligations as found by Fair Share Housing Center and it would be extremely difficult, if possible at all, for Glen Ridge to meet its affordable housing obligations even as found by its own expert Econsult Solutions.

Under these circumstances, Glen Ridge is unsure of how the courts will determine a compliant housing plan for Glen Ridge and Glen Ridge is also unsure of the actual number of affordable housing and market units that must be built. To be sure, it is probably safe to say that no one, including FSHC, expects Glen Ridge to build the 437 units (Present Need + Prospective Need) as found by FSHC or even the 34 units (Present Need + Prospective Need) as found by Econsult

Solutions. Those numbers represent only Glen Ridge's proposed "fair share". Glen Ridge is entitled to an adjustment of those "gross" numbers based on Glen Ridge's lack of vacant land. But any such adjustment must now take into account that Glen Ridge's prior circumstances have changed because Glen Ridge can build a portion of the 437 "FSHC units" or the "34 Econsult Solutions units" on the land "created" by Glen Ridge Developers on Baldwin Street. That is what the Builder's Remedy Proceeding is ultimately about. A resolution of that proceeding, when coupled with a resolution of FSHC's "fair share" claims with respect to Glen Ridge, would curtail the ongoing cost of litigation, allow Glen Ridge input into the development of Baldwin Street, and could provide Glen Ridge with a 10-year moratorium against future litigation over this issue. During that time, the New Jersey courts and the New Jersey legislature might be able to better address this statewide issue. Last, but of course not least, as a responsible member of the Essex County and New Jersey communities, Glen Ridge would be fulfilling its constitutional obligation to provide its fair share of affordable housing to those who need it.

The purpose of the Special Master's presentation on Monday, December 12, is to address this situation and how Glen Ridge can obtain compliance through the builder's remedy litigation.

To this end, Glen Ridge has been working with the Special Master and with Fair Share Housing Center to formulate the number of affordable housing units for which Glen Ridge is obligated for the period from 1999 to 2015 and thereafter to 2025. The goal is to prepare a "constitutionally compliant" affordable housing plan approved by the Special Master and acceptable to private affordable housing advocate Fair Share Housing Center. Fair Share Housing Center's consent is a requirement for any resolution of the builder's remedy lawsuit, even if such resolution is otherwise satisfactory to Glen Ridge Developers. Under this scenario, (1) affordable housing units would be constructed as part of the proposed Baldwin Street project (but fewer than the 125 units proposed), (2) Glen Ridge would retain material control over the development, and (3) Glen Ridge will be deemed to have fulfilled an affordable housing plan which would stay in place for 10 years.

Glen Ridge continues to wrestle with the issues placed upon New Jersey municipalities by the courts and the State government as Glen Ridge develops its own affordable housing plan. It is Glen Ridge's goal to work cooperatively with the Special Master to develop a plan that, as best as possible, maintains the current quality of life and culture of Glen Ridge while also recognizing that the building of affordable housing is a mandate that Glen Ridge must in some fashion embrace, plan for and realize in some capacity.

The resolution of the issue is complicated because in the Builder's Remedy Proceeding (assuming a judicial determination that Glen Ridge has unfulfilled "Mount Laurel" need and has no approved or realistic plan to fulfill it), Glen Ridge's defenses can rest only on sound planning principles. Sound planning principles involve matters such as traffic safety, traffic control, adequate parking, massing, lot coverage, set-back restrictions, streetscape and density. These issues have been raised and discussed with both the Special Master and Glen Ridge Developers, Inc. It is no defense to assert that the current R-1 zoning classification for the Baldwin Street Properties precludes a development such as the one proposed. Zoning classification and restrictions have no relevance in a builder's remedy litigation. In all events, the zoning issue is further eroded by the fact that Glen Ridge's Planning Board recommended in 2003 that the area comprising the Baldwin Street Properties be re-zoned so as to allow the construction of multi-family housing.

The issue is further complicated by the fact that Glen Ridge's litigating "to the end" will be costly and time-consuming and would involve litigation with Fair Share Housing Center.

Worse, because the litigation will involve appeals from the findings of the Special Master (findings which a lower court will most likely adopt), protracted and costly litigation may still result in the finding that Glen Ridge has not met its constitutional obligation to provide its fair share of affordable housing. As set forth above, private affordable housing advocate Fair Share Housing Center seeks to fix Glen Ridge's affordable housing requirement at 465 units (with the "gap" need to be further determined). Such a determination could not be fulfilled and would tear at the fabric of the community.

In addition, the Special Master has already cautioned that if litigation is determined adversely to Glen Ridge, the following adverse consequences could also occur:

- (1) Fee-shifting could be imposed upon Glen Ridge, resulting in Glen Ridge's bearing all costs of the litigation, regardless whether such costs were incurred by Glen Ridge Developers or by Glen Ridge.
- (2) The court could impose a high affordable housing obligation on Glen Ridge resulting in (as mentioned above) a project larger than one on which the developer is willing to settle and without the quality controls that Glen Ridge could extract from a negotiated settlement.
- (3) With unmet need, Glen Ridge could be exposed to building remedy lawsuits brought by other developers who "create" land in Glen Ridge by the buying and consolidation of lots and property.

Conversely, a negotiated settlement with Glen Ridge Developers and Fair Share Housing Center would result in Glen Ridge's being afforded a 10-year moratorium on builder's remedy litigation.

As the Mayor and Council weigh these options, we are of the belief that a negotiated resolution presents the best solution for Glen Ridge. More on this will come from the Special Master's presentation on December 12.

Should you wish to speak with any member of the governing body or the Borough Administrator, please do not hesitate to visit us at the municipal building, send us an email or call the municipal offices. We will do our best to answer your questions within the limits we must adhere to.

## AFFORDABLE HOUSING TIMELINE

1975: So. Burl. Cty. N.A.A.C.P. v. Twsp. of Mt. Laurel, 67 N.J. 151 (1975) (Mount Laurel I) decided. The N.J. Supreme Court decided that developing municipalities that use the State's zoning power, given to the State by the N.J. Constitution and delegated by the Legislature to municipalities by the Municipal Land Use Law, must use the zoning power for the general welfare, not just for the welfare of the individual towns. The Court found that the only kind of housing realistically permitted in most towns consisted of relatively high-priced, single-family detached dwellings on sizeable lots.

The Court required towns to act "in the spirit we have suggested, both by appropriate zoning ordinance amendments and whatever additional action encouraging the fulfillment of their fair share of the regional need for low and moderate income housing may be indicated as moral and advisable." The Court warned that should towns not perform as it expected, further judicial action would be forthcoming.

1983: So. Burlington Ct. N.A.A.C.P. v. Mount Laurel Twp., 92 N.J. 158 (1983) (Mount Laurel II) Deciding eight years after Mt. Laurel I, the N.J. Supreme Court found that towns were not complying with their Mt. Laurel I requirements, and implemented a court-administered program to require towns to accept their "fair share" of the State's affordable housing needs. In particular, the Court permitted "builders' remedy" lawsuits, in which builders are encouraged to sue municipalities to force compliance. The essence of a builder's remedy is that the builder gets to build more units at higher density in a non-compliant town, in the location where the builder wants, not where the town might want. A portion of the builder's units is required to be affordable to persons of low and moderate income.

1983-86: Mount Laurel II unleashes a flood of over 100 Mount Laurel suits.

1984: Judge Serpentelli, the judge assigned to assess many towns' compliance, addresses the method for determining a municipality's fair share allocation and holds that Warren Township is obligated to provide 946 dwelling units for the period of 1980 through 1990. <u>AMG v. Warren, 207 N.J. Super. 388 (Law Div. 1984)</u>, later partially disapproved by <u>In re Twp. of Warren, 132 N.J. 1 (1993)</u>.

1985: The New Jersey Fair Housing Act ("FHA"), N.J.S.A., 52:27D-301 *et seq.*, was enacted, effective July 2, 1985. The purpose of the FHA was to replace the court-administered Mt. Laurel system with the Council on Affordable Housing (COAH), a new State administrative agency intended to be more predictable and efficient.

**February 20,** 1986: <u>Hills Dev. Co. v. Bernards Twp.</u>, 103 N.J. 1 (1986) (referred to by some as **Mount Laurel III)** upholds the constitutionality of the FHA and orders the transfer of most pending builders' remedy suits to COAH's jurisdiction.

**August 4, 1986:** COAH adopts First Round Rules addressing affordable housing need for 1987 through 1993. N.J.A.C. 5:92-2 through -5 and Appendix A, 18 N.J.R. 1527-1548 (Aug. 4, 1986). COAH uses a methodology substantially similar to that used by Judge Serpentelli in <u>AMG v.</u> Warren.

1993: The Supreme Court invalidates COAH occupancy preference that would have allowed municipalities to set aside 50% of fair share housing for low and moderate income people who live and work in the municipality, and finds a 1000 unit cap on housing inconsistent with the FHA. <u>In re Twp. of Warren</u>, 132 N.J. 1 (1993) (partially disapproving of methodology in <u>AMG v. Warren</u>).

1993: The Legislature amends the FHA. <u>N.J.S.A.</u> 52:27D-307(e) (generally capping affordable obligations at 1000 units per ten years).

**June 6, 1994:** COAH adopts Second Round Rules, addressing cumulative need for 1987 through 1999. N.J.A.C. 5:93, Appendix A. Effective June 6, 1994 through June 6, 1999.

**May 1999:** COAH readopts second round substantive rules establishing an expiration date of May, 2004. In Re Six Month Extension, infra, 372 N.J. Super. at 74.

June 6, 1999: Third Round Rules are due from COAH.

**2004:** New Jersey's intermediate court, the Appellate Division, characterizes COAH's delay in enacting Third Round Rules as frustrating the public policies embodied in the <u>Mount Laurel</u> line of cases and warns that it may "free interested parties from the constraints" of the administrative process. <u>In re Six Month Extension of N.J.A.C. 5:91</u>, 372 N.J. Super. 61, 95-96 (App. Div. 2004), certif. denied. 182 N.J. 630 (2005).

**December 20, 2004:** COAH adopts a set of Third Round Rules calculating affordable housing needs from 1999 to 2014 and establishing criteria for meeting the needs between 2004 and 2014. N.J.A.C. 5:94 and 5:95; 36 N.J.R. 5748(a).

**January 25, 2007:** The Appellate Division affirms a portion of COAH's Third Round methodology, but invalidates other aspects of the Third Round Rules, *i.e.*, the "growth share" methodology. **In re Adoption of N.J.A.C. 5:94 and 5:95,** 390 N.J. Super 1, 86-87 (App. Div.), certif denied, 192 N.J. 71 (2007).

**January 22, 2008:** COAH proposes a revised set of Third Round Rules, generating over 5000 comments. 40 N.J.R. 237(a)(Jan. 22, 2008); 40 N.J.R. 515(a) (Jan. 22, 2008).

May 6, 2008: COAH adopts revised Third Round Rules essentially as proposed. *N.J.A.C.* 5:96 (procedural rules); <u>N.J.A.C.</u> 5:97 (substantive rules). Rules are published in the June 2, 2008 New Jersey Register. 40 N.J.R. 2690. They calculate the State's affordable housing needs from January 1, 1999 through December 31, 2018.

**July 17, 2008:** Effective this date, amendments to the FHA eliminate Regional Contribution Agreements, N.J.S.A. 52:27D-312, among other changes.

**September 22, 2008:** COAH adopts amendments to the Third Round Rules, effective October 20, 2008.

**February 2010:** Gov. Christie issues Executive Order Number 12 establishing a task force to review existing affordable housing laws, assess COAH's continued existence, and issue a report within 90 days.

March 19, 2010: The task force issues its report and concludes that there should be a new model for affordable housing.

October 8, 2010: The Appellate Division concludes that COAH's revised Third Round Rules suffer from "many of the same deficiencies as the original Third Round Rules" and invalidates substantial portions of COAH's second set of Third Round Rules. <u>In re Adoption of N.J.A.C.</u> 5:96 & 5:97, 416 N.J. Super. 462 (App. Div. 2010).

**June 29, 2011:** Gov. Christie issues Reorganization Plan No. 001-2011, which abolishes COAH and transfers its functions to the Department of Community Affairs ("DCA").

August 1, 2011: Effective date of order abolishing COAH.

July 10, 2013: The Supreme Court holds that the Governor has no authority to abolish COAH. In re Plan for Abolition of Council on Affordable Housing, 214 N.J. 444 (2013).

September 26, 2013: The Supreme Court affirms the Appellate Division's invalidation of the Third Round rules and directs COAH to adopt rules by February 26, 2014. <u>In re Adoption of N.J.A.C. 5:96 and 5:97, 215 N.J. 578 (2013).</u>

**February 26, 2014:** COAH moves for an extension of time to promulgate Third Round Rules.

March 14, 2014: The Supreme Court grants COAH's motion for an extension for enacting the Third Round Rules and orders that if COAH does not adopt Third Round Rules by November 17, 2014, the Court will entertain applications for relief, including requests to lift the protection provided to municipalities through the Fair Housing Act. <u>In re N.J.A.C. 5:96 and 5:97</u>, 220 N.J. 355 (2014)

April 30, 2014: COAH's Board meets and votes to introduce new Third Round Rules.

**June 2, 2014:** Proposed Third Round Rules addressing Statewide affordable housing need from 1999 to 2024, and prospective need from 2014 to 2024, are published in the New Jersey Register. 46 N.J.R. 912(a)-1051 (June 2, 2014).

**October 20, 2014:** COAH members split 3-3 on the adoption of the proposed Third Round Rules, and they are not adopted.

March 10, 2015: The Supreme Court sets up declaratory judgment process for evaluating constitutional compliance. <u>In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing</u>, 221 N.J. 1 (2015) (sometimes called Mount Laurel IV).

June 8, 2015: Effective date of Mount Laurel IV.

July 8, 2015: Deadline for filing the declaratory judgment actions authorized by Mount Laurel IV.