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SUPREME COURT OF NEW JERSEY DOCKET NO.: 67,126

IN RE ADOPTION OF N.J.A.C. 5:96 and 5:97 BY THE NEW JERSEY COUNCIL ON AFFORDABLE HOUSING

Civil Action

CERTIFICATION OF : RICHARD E. CONSTABLE, III

- I, Richard E. Constable, III, of full age, hereby certifies:
- 1. I am the Commissioner of the Department of Community Affairs. In that capacity, I am the chairperson of the Council on Affordable Housing ("COAH") and, as such, have personal knowledge of the within facts.
- 2. In its opinion in this matter, the Court recognized that "[m]ore than thirty years have passed since this Court outlined a framework through which municipalities could satisfy"

their fair share obligations and "[w]e now have decades of data on the creation of affordable housing in New Jersey." In re Adoption of N.J.A.C. 5:96, 215 N.J. 578, 606 (2013). The Court noted, among other things, data reflects "general trends in population size and the production of housing units" and significant changes in transportation patterns. Id. at 607-08. Additionally, the "economic collapse of 2008 has had a significant impact on home prices." Id. at 608. Thus, while the Court accepted the Appellate Division's five-month time frame, the Court's opinion also underscores the need to evaluate carefully the available, recent data in developing a third round methodology.

3. Consistent with the Court's opinion, recent, available, and reliable data has been reviewed and continues to be analyzed and evaluated to develop a third round methodology. Those data sources are diverse and varied. They include the 2010 United States Census data and data available from the Department of Labor Workforce Development. Also relevant and subject to the analysis is data concerning building permits and certificate of occupancy. The analysis also includes evaluating data used to develop the prior third round regulations to determine whether and to what extent it can assist or is relevant to the development of the new third round methodology.

- 4. This data also has been and is being used to project population and household growth. The data was extrapolated to a municipal level to estimate the number of households to be formed. The data, including data on relative household income by municipality, then allowed for a determination of how many of those households are predicted to be low and moderate income.
- 5. The United States Census data has been, and continues to be, analyzed to identify deteriorated units that presently are crowded, have incomplete kitchens, and/or have incomplete baths. The identification of these deteriorated units together with United States Census public use microdata sample then permits the determination of the low and moderate income share of those deteriorated units at both a county and municipal level.
- 6. The databases for certificates of occupancy and demolition allowed for a determination of net housing growth. Information on the secondary sources of supply filtering, conversions, and demolitions has been, and continues to be, reviewed to determine the effect of those secondary sources on housing availability. Additionally, available land both vacant and redevelopable has been and continues to be, reviewed to determine its effect on housing.
- 7. The completion of this process will permit calculation of statewide low and moderate income need and affordable housing figures for all municipalities. The affordable

housing figures for municipalities, however, is just one step in the rulemaking process. The methodology must then be put in proper regulatory form. Those efforts include not only the new regulations, but also require reviewing the existing regulations, both procedural and substantive, to determine how the new methodology affects them and what changes may need to be made.

- 8. The new and/or revised regulations also must comply with the substantial requirements of the Administrative Procedure Act (APA), N.J.S.A. 52:14B-1 et seq. The APA requires not only the regulations, but also a summary of the regulations, which in this case will be significant given the magnitude of the subject matter, as well as various statements. The schedule for publication in the New Jersey Register must be adhered to as well. Thus, while substantial progress has been made to develop a new third round methodology, considerable work still remains to translate that work into a format that can be published in the New Jersey Register.
- 9. Substantial progress has been made in terms of the review and analysis of the most current data sources and the crafting of the various components of the proposed methodology incorporating those data sources. That process now must be completed so that affordable housing figures for all municipalities can be generated, translated into regulations, and published in accordance with APA requirements.

10. Accordingly, an extension of time until May 1, 2014 is requested to allow the regulations to be formally proposed and published in the June 2, 2014 New Jersey Register.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Richard E. Constable, III

DATED: February 26, 2014