

**CITY OF NORTHFIELD, NJ
RESOLUTION NO. 152-2025**

**RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF
NORTHFIELD APPROVING A FOURTH ROUND AFFORDABLE
HOUSING TRUST FUND SPENDING PLAN AND REQUESTING
PROGRAM AND COURT APPROVAL OF THE SPENDING PLAN**

WHEREAS, the City of Northfield (hereinafter “City” or “Northfield”) has an approved Development Fee Ordinance that was adopted on October 17, 2017, which established standards for the collection, maintenance, and expenditure of development fees; and

WHEREAS, the City’s current Affordable Housing Trust Fund Spending Plan was approved by the Court in the Third Round; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act (hereinafter the “Amended FHA”) which governs how municipalities will comply with their affordable housing obligations for the Fourth Round (2025-2035); and

WHEREAS, the Administrative Office of the Courts issued Directive #14-24 (“AOC Directive #14-24), governing how municipalities file their compliance documents with the Affordable Housing Dispute Resolution Program (“the Program”); and

WHEREAS, the City has prepared a Fourth Round Spending Plan consistent with the Amended FHA, AOC Directive #14-24 and applicable regulations, which projects anticipated revenues to the City’s Affordable Housing Trust Fund and describes the anticipated expenditures of funds;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Northfield, County of Atlantic, State of New Jersey, as follows:

1. The Common Council of the City of Northfield hereby approves the Fourth Round Spending Plan that is attached hereto as Exhibit A, and requests that the Program and the Court review and approve the City’s Fourth Round Spending Plan.
2. This Resolution shall take effect immediately upon adoption, according to law.

CERTIFICATION

I, Mary Canesi, Municipal Clerk of the City of Northfield, do hereby certify that the foregoing Resolution was duly adopted at a Regular Meeting of the Common Council of the City of Northfield held this 17th day of June 2025.



Mary Canesi, RMC, Municipal Clerk

Roll Call:

Aye: Carfagno, Dewees, Kern, Notaro, Polistina, Smith, Bucci

Nay:

Abstain:

Absent:

**City of Northfield
Atlantic County**

**Spending Plan
June 2025**



Approved by the Governing Body on June 17, 2025
By Resolution No. 152-2025

City of Northfield
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**City of Northfield
Atlantic County, New Jersey**

**Spending Plan
June 2025**

MAYOR

Erland Chau

COUNCIL MEMBERS

Greg Dewees
Carolyn Bucci
Renee Carfagno
David Notaro
Tom Polistina
Brian Smith
Cindy Kern

Mary Canesi, Registered Municipal Clerk

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Matt Doran, Engineer
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Prepared By:



Tiffany A. Morrissey, AICP, PP#5533

The original of this document was signed and
sealed in accordance with NJAC 13:41-1.3.b

TABLE OF CONTENTS

<i>INTRODUCTION</i>	2
<i>SPENDING PLAN</i>	3
<u>Revenues for Certification Period</u>	3
<u>Administrative Mechanism To Collect And Distribute Funds</u>	6
<u>Anticipated Use Of Affordable Housing Funds</u>	7
<u>Expenditure Schedule</u>	11
<i>FOUR YEAR SPENDING PLAN:</i>	12
<i>SUMMARY</i>	13

INTRODUCTION

This 2025 spending plan addresses the Fourth-Round Housing Element and Fair Share Plan (HEFSP) mechanisms and components and accounts for the funds already deposited, and to be deposited through 2035, into the City's Mount Laurel Trust Fund; and (2) demonstrates the manner in which the City intends to expend the funds to advance the interests of the region's low- and moderate-income households.

In accordance with the 2024 amendments to the Fair Housing Act, municipalities are permitted to rely on the previously adopted rules and regulations for Spending Plans and Development Fees. This plan is prepared in accordance with the provisions of the amended Fair Housing Act under N.J.S.A. 52:27D-329.2 and the previously effective regulations at N.J.A.C. 5:93-1 et. Seq., Substantive Rules of the New Jersey Council on Affordable Housing.

On January 22, 2015, the City of Northfield prepared, adopted, and endorsed an Affordable Housing Plan ("2015 Plan") to address its 190-unit Prior Round Obligation. The 2015 Affordable Housing Plan was amended on August 21, 2018 ("2018 Plan") by adding the Mount Laurel compliance techniques through which the city will satisfy its Round 3 obligation. The city obtained a Judgment of Compliance and Repose, which approved the City's 2018 Plan, on August 31, 2018. On July 22, 2024, the Court entered an Amended Conditional Judgment of Compliance and Repose ("Amended JOR"), approving the City's 2024 Amended Housing Element and Fair Share Plan after a duly noticed Compliance Hearing held on June 13, 2024. One of the conditions of the Amended JOR was for the City to amend its 2018 Spending Plan. This was completed in July of 2024 in compliance with the City's Amended JOR. This Plan amends the approved July 2024 Spending Plan to provide for projections through 2035.

SPENDING PLAN

A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the municipality on October 17, 2017. The ordinance establishes the City of Northfield's affordable housing trust fund for which this Spending Plan is prepared

Pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:93-5.1(c), if a municipality intends to collect development fees, it shall prepare a plan to spend development fees that includes the following:

- A projection of revenues anticipated from imposing fees on development, based on historic development activity;
- A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
- A description of the anticipated use of all development fees;
- A schedule for the creation or rehabilitation of housing units (if required);
- If the municipality envisions being responsible for public sector or non-profit construction of housing, a pro-forma statement of the anticipated costs and revenues associated with the development; and
- The manner through which the municipality will address any expected or unexpected shortfall if the anticipated.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period relevant to the City's Fourth Round HEFSP (2025-2035), the City of Northfield considered the following:

(a) Development fees:

1. Projects which have had development fees imposed upon them at the time of development approvals;

2. All projects currently before the planning and zoning boards for development approvals that may apply for certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development and/or projected development in accordance with COAH projections.
4. Revenues from the 2.5 non-residential, for all commercial development

(b) Other funding sources: Other funding sources: No other funds have been or are anticipated to be collected.

(c) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund based upon the average amount earned on prior years. This is subject to change as interest rates change and the account balance will fluctuate with approved spending. The current interest rate is 1.1%.

SOURCE OF FUNDS	PROJECTED REVENUES-HOUSING TRUST FUND 2025 THROUGH 2035 \$110,711.02 Starting Balance (June 1, 2025)										
	6/2025 12/2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
(a) Projected Development fees:	11,300	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800
(b) Payments in Lieu of Construction	0	0	0	0	0	0	0	0	0	0	0
(c) Other Funds	0	0	0	0	0	0	0	0	0	0	0
(d) Interest – estimated	1,288	2,208	2,208	2,208	2,208	2,208	2,208	2,208	2,208	2,208	2,208
Totals	12,588	18,008	18,008	18,008	18,008	18,008	18,008	18,008	18,008	18,008	18,008
TOTAL PROJECTED REVENUES AND INTEREST 2025-2035					\$228,684.00						

The above projected revenues are based upon projected residential and commercial development growth rates from prior years. Between 2018 and 2024, the city has realized a handful of new residential units and less than 10,000 square feet of new non-residential space (the main development was for a childcare facility).¹ This forms the basis for the estimates above. Over the past year (June 2024 through June 2025) the city has collected \$14,445 in development fees, all from residential development. This averages around \$1,200 per month in development fee receipts. In the first half of 2025 (January through May - five months) the city has collected \$3,445 into the Affordable Housing Trust Fund for residential development, this averages around \$689 per month for residential development fees. Based upon the above averages the estimated new residential development fees per month is \$900 which is conservative given the deposits in the first half of 2025.

Non-Residential Development Fees are limited with only three projects since 2022. There have been no new commercial development approvals from the Planning/Zoning Board which are expected to be completed in the future. The City generally has non-residential reuse and not new construction. The total fees collected of \$65,558 for non-residential were from 2022. There have been no new non-residential developments which required payment of a development fee since 2022. Based upon this development pattern and based upon a review of the Planning/Zoning Board approvals since 2022, Northfield does not expect any new non-residential fees in 2024, and none through May 31, 2025. To be conservative the city is projecting a modest \$5,000 from non-residential development fees per year through 2035 (which may not be realized).

When combining the above residential and non-residential development fee estimates, the city projects a total of \$200,900 in new development fees through the end of 2035. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. The projected interest through 2035 is \$27,784, when added to the estimated deposits the city will realize an estimated \$228,684 in additional deposits (including interest).

¹ Excluded from the new development are the permits for the Inclusionary Multi-Family Development located along Cresson Boulevard.

Administrative Mechanism To Collect And Distribute Funds

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the City of Northfield:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the City's development fee ordinance for residential developments in accordance with the rules and regulations at N.J.A.C. 5:93-8.1 et. seq. and for non-residential development consistent with N.J.S.A. 52:27D-329 et. seq. and N.J.S.A. 40:55D-8.1 through 8.7.

(b) Distribution of development fee revenues:

The City of Northfield's Municipal Housing Liaison shall recommend to the governing body the expenditure of development fee revenues as set forth in this Spending Plan. The governing body shall then review the request and, assuming for consistency with the Spending Plan, shall authorize the expenditure by resolution.

The release of funds requires the adoption of the governing body resolution in accordance with the City's approved amended spending plan. Once a request is approved by resolution, the Chief Financial Officer shall release the requested revenue from the Affordable Housing Trust Fund for the specific use approved in the governing body's resolution referenced immediately above.

Anticipated Use Of Affordable Housing Funds

Regulations permit the use of revenues generated by a Development Fee Ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation, new construction, improvement to land, roads, and infrastructure for affordable housing, assistance to render units more affordable, and administrative costs of housing plan implementation.

(a) New construction programs and projects (N.J.A.C. 5:93-8.16)

The City of Northfield will dedicate an estimated \$84,000 to Habitat for Humanity in accordance with City's 2024 Amended HEFSP and Spending Plan and the recently adopted 2025 HEFSP. The City is currently working with Habitat for Humanity to develop City owned property along Dolphin Avenue on Block 66, Lot 11 and Block 69, Lot 1.02. The two parcels are not contiguous. The City is currently working with Habitat for Humanity to permit the development of up to 14 affordable housing units on this property. This will include the donation of the land and the contribution of an estimated \$6,000 per unit² created from the Housing Trust Fund for new construction projects and affordability assistance.

The city has already expended \$14,950 towards the Habitat for Humanity project. This leaves an additional \$69,050 to be contributed by the City of Northfield to the project. The City proposes to utilize an additional \$47,000 as a new construction expenditure, for a total of \$61,950 as new construction funds. The balance of the \$84,000 will be in the form of affordability assistance, in the amount of \$22,050. This is consistent with the 2024 Spending Plan as submitted in accordance with the City's 2024 Amended JOR.

² The total amount provided to Habitat for Humanity will consist of both affordability assistance and new construction programs.

New Construction Expenditure Estimates through 2035		
Development fees collected through May 2025		\$142,974.01
Less Required Affordability Assistance	-	\$42,892.20
Less Administrative Expenditures	-	\$28,594.80
Available New Construction Funds May 2025	=	\$71,487.01
Development fees projected 6/2025-2035		\$228,684.00
Less Estimated Required Affordability Assistance		\$68,605.20
Less Estimated Administrative Expenditures		\$45,736.80
Estimated Available Additional New Construction Funds 6/2025-2035		\$114,342.00
Total Existing and Estimated New Construction Funds Available	=	\$185,829.01
Less New Construction Expenditures		
Habitat Title Search	-	\$750.00
Habitat Survey Work	-	\$4,000.00
Habitat Phase I Study	-	\$10,200.00
Subtotal New Construction Expenses	=	\$14,950.00
Currently Available Funds May 2025 (\$71,487.01 - \$14,950.00)	=	\$56,537.01
Total Estimated Available Funds Remaining through 2035	=	\$170,879.01

(b) **Affordability Assistance N.J.S.A. 52:27D-392.2.c.(3) and N.J.A.C. 5:93-8.16**

The City shall provide affordability assistance in accordance with the rules and requirements of the Fair Housing Act. In accordance with the projections for new development the City of Northfield has prepared a table projecting the minimum affordability assistance requirement. The following table includes current funds and estimates of future funds with the required expenditures:

May 2025 – Current Fund Estimates for Expenditures		
Development fees collected through May 2025		\$142,974.01
MINIMUM Affordability Assistance Requirement through 5/31/2025	x 0.30=	\$42,892.20
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement through 5/31/2025	1/3 rd of Requirement	\$14,297.40

Estimates through 2035		
Development fees collected through May 2025		\$142,974.01
Development fees projected 6/2025-2035		\$228,684.00
Subtotal	=	\$371,658.01
PROJECTED MINIMUM Affordability Assistance Requirement through 12/31/2025	x 0.30=	\$111,497.40
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement through 12/31/2025	1/3 rd of Requirement	\$37,165.80

The City of Northfield will dedicate a minimum of 30% of the total collected fees (estimated at \$113,597) from the Affordable Housing Trust Fund to render units more affordable, including a minimum of 1/3rd of the required 30% (estimated at \$37,865) to render units more affordable to households earning 30 percent or less of median income by region. The City will dedicate at least \$22,500 to the Habitat for Humanity project on Dolphin Avenue as affordability assistance. This will leave \$20,392 based on current fund amounts, of which the City will expend at least \$14,297 towards very low-income units. Affordability assistance programs will include down-payment assistance, rental assistance, and the conversion of low-income units to very low-income units and other programs. These funds will go to existing affordable housing units and future affordable housing units. Specifically, the funds can assist families in the recently constructed affordable rental units at Cresson Hill in addition to any future affordable housing units created pursuant to the City's Fair Share Plan.

(c) **Administrative Expenses N.J.S.A. 52:27D-392.2.c.(5) and N.J.A.C. 5:97-8.9**

The City of Northfield is permitted to expend a maximum of 20% of the collected revenues (estimated at \$28,594) from the Affordable Housing Trust Fund to be used for administrative purposes. The amount will be utilized for administrative purposes such as salaries and benefits for municipal employees or consultant fees necessary to develop or implement municipal housing programs such as rehabilitation, accessory apartments, new construction, housing elements and/or affirmative marketing programs. Administrative funds may be used to income qualify households and monitor implementation. Development fees may be used to defray the costs of staff or consultants that are preparing or implementing a Fair Share Plan.

May 2025 – Current Fund Estimates for Expenditures		
Development fees collected through May 2025		\$142,974.01
Available for Administrative Expense through 5/31/2025	x 0.20 =	\$28,594.02

Estimates through 2035		
Development fees collected through May 2025		\$142,974.01
Development fees projected 6/2024-2025		\$228,684.00
Subtotal	=	\$378,658.01
Available for Administrative Expense through 12/31/2035	x 0.20 =	\$75,731.60
Less Administrative Expenditures		
Nassau Capital Advisors – July 2024		\$16,500.00
Jersey National Title – October 2023		\$750.00
SNS Engineering Survey – November 2023		\$4,000.00
Public Noticing – April 2024		\$812.99
Available Current Funds for Administrative Expenditures		\$6,531.03

Expenditure Schedule

The City of Northfield intends to use Affordable Housing Trust Fund revenues for the creation of new affordable housing units on City owned property. The following summarizes the use of the funds as required:

May 2025– Current Fund Expenditures		
Development fees collected through May 2025		\$142,974.01
Expenditures		
New Construction Projects		
Habitat for Humanity - Dolphin Avenue	-	\$10,200.00
Affordability Assistance	-	\$0
Administrative Expense	-	\$22,062.99
Total Expenditures	=	\$32,262.99
Remaining Balance May 2025	=	\$110,711.02

Estimates through 2025		
Account Balance May 2025		\$110,711.02
Projected Revenue		\$228,684.00
Subtotal		\$339,395.02
Expenditures		
<i>New Construction Projects</i>		
Habitat for Humanity Dolphin Avenue	-	\$47,000.00
<i>Affordability Assistance</i>		
Habitat for Humanity Dolphin Avenue	-	\$22,500.00
Existing Unit Assistance	-	\$81,826.40
Very Low Income Assistance		\$52,163.20
<i>Administrative Expense</i>	-	\$82,262.63
Total Projected Expenditures	=	\$285,752.30
Remaining Balance	=	\$53,642.72

Administrative Expenses: The City of Northfield will expend funds for administrative expenses through December 31, 2035, for the purposes of salaries and benefits of the municipal employees involved in the implementation and administration of the City's Affordable Housing program, Housing Element and Fair Share Plan, and affirmative marketing program. Funds will also be used for consultants and any other permitted program under N.J.A.C. 5:93-8.16(e).

Affordability Assistance: The City of Northfield intends to spend funds for affordability assistance in accordance with N.J.A.C. 5:93-8.16(c). One-third of the balance will be utilized for the affordability assistance to very low-income households.

Housing Programs: The City of Northfield intends to utilize \$47,000 of the Housing Trust Fund balance on the Habitat for Humanity project on Dolphin Avenue. The remaining balance is estimated at \$53,642.72 and is based upon estimated development fees over the next 10 years. This balance will be utilized for new construction projects if available for those developments identified in the Fair Share Plan, either providing additional support to Habitat for Humanity or support to the proposed development of either the Camden Diocese or Mason Properties site (Homes 4All).

FOUR YEAR SPENDING PLAN:

In accordance with N.J.S.A. 52:27D-329.2.d development fees collected are required to be committed for expenditure within four years of the date of collection. As of May 2025, the Affordable Housing Trust Fund had a balance of \$110,711.02. This money must be committed for use within four years of collection. The City commits to utilize funds as follows:

AHTF Balance May, 2025		\$110,711.02
Less Estimated Allowable Administrative Expenses	-	\$6,531.03
Less Required Affordability Assistance	-	\$42,892.20
AHTF Balance	=	\$61,287.79
Habitat for Humanity	-	\$47,000.00
AVAILABLE BALANCE	=	\$14,287.79

The remaining available balance of \$14,287.79 will be utilized to either further support the Habitat for Humanity project or to further assist with the Camden Diocese project as provided for in the approved City Fair Share Plan.

SUMMARY

The City of Northfield intends to spend affordable housing trust fund revenues as approved by the court pursuant to the Fair Housing Act and consistent with the housing programs outlined in the Housing Element and Fair Share Plan.