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June 27, 2025

Via e-courts

Honorable Thomas F. Brogan, J.S.C., Ret, t/a On Recall
Honorable Thomas C. Miller, A.J.S.C. (Ret.), Program Chair
Honorable Gregg A. Padovano, J.S.C.
Honorable Lina Corrison, J.S.C.
Affordable Housing Dispute Resolution Program
Richard J. Hughes Justice Complex
25 Market Street, P.O. Box 37
Trenton, NJ 08625

RE: In the Matter of the Application of the Borough of Closter, County of Bergen;
Docket No.: BER-L-000549-2025

Dear Judges Brogan and Miller:

Enclosed please find the Housing Element and Fair Share Plan of the Borough of Closter, Bergen County, New Jersey dated June 15, 2025 (the "HEFSP"), which was adopted by the Planning Board of the Borough of Closter ("Planning Board") on June 26, 2025. Also enclosed is a copy of the Planning Board Resolution adopting the HEFSP.

Thank you for your attention to this matter.

Respectfully Submitted,
HUNTINGTON BAILEY, L.L.P.

William J. Bailey

William J. Bailey

cc: All attorneys of Record (via e-courts)
Christine Nazzaro-Cofone, Special Adjudicator (via email)

RESOLUTION CLOSTER PLANNING BOARD

WHEREAS, the Municipal Land Use Law, N.J.S.A. 40:55D-28(b)(3) requires a Housing Element of the municipal Master Plan to include, pursuant to the Fair Housing Act, N.J.S.A. 52:27D-310, standards and proposals for the construction and improvement housing; and

WHEREAS, the Fair Housing Act, N.J.S.A. 52:27D-310 requires a Housing Element to include “A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing” (i.e., a “Fair Share Plan”); and

WHEREAS, the Planning Board previously prepared and adopted multiple Housing Elements and Fair Share Plans, including several that were components of the Borough of Closter’s various petitions to the Council on Affordable Housing, which granted the Borough of Closter substantive certification for the First Round and the Second Round, and each of the grants of substantive certification included a vacant land adjustment, and previously prepared and adopted Housing Element and Fair Share Plan for the Third Round, through which it obtained a Judgment of Compliance and Repose from the Superior Court of New Jersey; and

WHEREAS, the New Jersey Legislature amended the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., in April of 2024, and the amendment, among other things, addresses the going-forward municipal obligation for the Fourth Round period (2025-2035), contains methodology for allocating Prospective Need across New Jersey’s different housing regions,

including Region 1, where Closter is located, and directed the Department of Community Affairs to preliminarily calculate each municipality's affordable housing obligations; and

WHEREAS, the Board (and the Borough) has retained Caroline Reiter, PP, AICP of T&M Associates, who has prepared a plan entitled "Master Plan Amendment, Housing Plan Element and Fair Share Plan Round4", dated June 15, 2025 (the "Plan") to address the Borough's Fourth Round affordable housing obligation; and

WHEREAS, the New Jersey Department of Community Affairs preliminarily calculated the Borough's Fourth Round affordable housing obligation to be 16 units of Present Need and 251 units of Prospective Need; and

WHEREAS, the Borough has reserved the right to conduct a windshield survey to reduce the 16-unit Present Need based upon standards contained in the regulations promulgated by the Council on Affordable Housing; and

WHEREAS, notwithstanding the Department of Community Affairs' preliminary calculation of the Borough's Prospective Need, the Borough sought relief from the Affordable Housing Dispute Resolution Program, which determined that the Borough's Prospective Need is 241 units, which was memorialized in an Order entered by the Superior Court of New Jersey on May 5, 2025; and

WHEREAS, the Borough continued and continues to lack sufficient vacant land to address its entire affordable housing obligation; and

WHEREAS, because the Borough lacks sufficient land to address its obligation, it is permitted to seek a vacant land adjustment; and

WHEREAS, the Plan has, as required by the Fair Housing Act, identified specific parcels likely to redevelop so that at least 25% of the obligation that has been adjusted; and

WHEREAS, notice of the hearing on the Plan has been given pursuant to the provisions of N.J.S.A. 40:55D-13; and

WHEREAS, the Planning Board considered the Plan on the duly advertised and noticed hearing on June 26, 2025; and

WHEREAS, the following members of the public appeared for the purposes of asking questions or providing sworn testimony:

Joseph Bianco, 7 MacArthur Avenue, Closter, New Jersey

WHEREAS, the Planning Board has determined that the Plan will advance certain goals and objectives of the Municipal Land Use Law and Fair Housing Act, among which are appropriately guiding the use of land and advancing the general welfare, including providing a realistic opportunity for the development of the Borough fair share of the regional need for low and moderate cost housing.

NOW, THEREFORE BE IT RESOLVED by the Planning Board of the Borough of Closter that it does hereby adopt the Plan.

BE IT FURTHER RESOLVED that the Plan supersedes all prior Housing Element and Fair Share Plans adopted by the Board.

BE IT FURTHER RESOLVED that this Resolution and a copy of the Housing Element and Fair Share Plan that it adopts shall be immediately transmitted to the Borough of Closter Mayor and Council, with a copy to the Borough Clerk and Borough Administrator, with a recommendation that (1) the Mayor and Council endorse the Housing Element and Fair Share Plan; (2) adopt a resolution endorsing the Housing Element and Fair Share Plan; (3) make such filings as are required under the Fair Housing Act with the Affordable Housing Dispute Resolution Program as are necessary to implement the Borough's Fourth Round plan.

BE IT FURTHER RESOLVED that notice of this adoption shall be given to the Clerks of adjoining municipalities and to the Bergen County Planning Board and Office of Planning Advocacy, with a copy of the Plan as adopted and this Resolution being provided to the Bergen County Planning Board and Office of Planning Advocacy, and by publishing a notice of adoption in the Board's official newspaper.

Said Resolution was adopted by the following vote on June 26, 2025:


Moved by: Councilwoman Amitai
Seconded by: Vice Chairman Paltos

IN FAVOR: Councilwoman Amitai, Mr. Paltos, Ms. Ferrulo, Ms. Batool, Mr. DiDio, Mr. Tam, Mayor Glidden, Dr. Barad

OPPOSED: None

Date of Approval: June 26, 2025

Date of Resolution: June 26, 2025



DAVID BARAD, CHAIRPERSON
PLANNING BOARD OF THE BOROUGH
OF CLOSTER

Master Plan Amendment Housing Plan Element and Fair Share Plan Round 4

**Borough of Closter
Bergen County, New Jersey**

Prepared:
June 15, 2025

Prepared for:
Borough of Closter Planning Board

Prepared by:



T&M Associates
11 Tindall Road
Middletown, NJ 07748

Caroline Z. Reiter, PP, AICP
NJ Professional Planner: 33LI00534300

Robert E. Dare, PP, AICP
NJ Professional Planner: 33LI00596400

Adopted on June 26, 2025 by the Borough of Closter Planning Board.
Endorsed on June 26, 2025 by the Closter Borough Council.

The original of this document has been signed and sealed in accordance with Law.

*Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey*

BOROUGH OF CLOSTER

Mayor and Council

John C. Glidden, Jr., Mayor
Joseph Yammarino, Council President

Victoria Amitai, Council Member
Chris Cho, Council Member
Jannie Chung, Council
Alissa Latner, Council Member
Anna Maroules, Council Member

Planning Board

David Barad – Chairman Class IV
Dean Paltos - Vice Chairman Class IV
John Glidden – Mayor Class I
Victoria Amitai - Class III / Councilperson / Council Liaison

Tsun-Yam Tam - Class II / Borough Historian
Angela Ferullo - Class IV / Full Member
Ansar Batool - Class IV / Full Member
Avia Blum - Class IV / Full Member
Robert Di Dio- Class IV / Full Member
Jaepil Chung - Class IV / Alternate Member # 1
Lawrence Reines - Class IV / Alternate Member # 2

Nicholas DeNicola, P.E. - Planning Board Engineer
Daniel Steinhagen, Esq. - Planning Board Attorney
Paul Demarest - Planning Board Secretary

Public Officials

James B. Winters, Borough Administrator

Mari Margiotta, Borough Clerk
Jennifer Martinez, Deputy Borough Clerk

William Bailey, Esq., Borough Attorney

*Housing Plan Element and Fair Share Plan – Round 4
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Housing Element

The Borough of Closter, Bergen County, has prepared this Housing Element and Fair Share Plan as an amendment to the municipal master plan in accordance with the New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the New Jersey Fair Housing Act 2 (N.J.S.A. 52:27D-301 et seq.).

The Municipal Land Use Law requires that a municipal master plan include a housing element to enable the municipality to exercise the power to zone and regulate land use. The housing element is adopted by the municipal planning board and endorsed by the municipal governing body, and is drawn to achieve the goal of meeting the municipal obligation to provide for a fair share of the regional need for affordable housing.

This Housing Element and Fair Share Plan amends the Borough's master plan to address affordable housing planning requirements for the time period known as Round 4, which includes the decade between July 2025 and July 2035. It addresses the Borough's cumulative fair share obligation for the period from 1987 through 2035. The Borough last adopted a Round 3 Housing Element on November 1, 2018. This plan will replace the 2018 Round 3 plan.

Affordable Housing in New Jersey

The Mt. Laurel II doctrine requires that all municipalities provide a realistic opportunity for their fair share of low- and moderate-income housing. The Closter Fair Share Plan is the Borough's proposal for satisfying its share of the regional affordable housing needs under applicable affordable housing regulations.

This Plan provides the Borough's fair share obligation and details its strategies for addressing its present, prior, and prospective housing needs. The New Jersey Fair Housing Act established the New Jersey Council on Affordable Housing (COAH). COAH was responsible for developing rules and regulations on affordable housing, as well as approving municipalities' submitted affordable housing plans. The COAH approval process was known as Substantive Certification.

COAH adopted its first set of rules, known as 'Round 1,' for the period of 1987 through 1993. COAH 'Round 2' covered the 1993 to 1999 time period. These rounds are now combined and collectively referred to as the 'Prior Round,' which covers the 1987 to 1999 time period.

COAH adopted its first Round 3 rules in 2005. The Round 3 rules included a new methodology for calculating affordable housing, known as Growth Share. These rules were challenged, and the Appellate Division invalidated the Round 3 rules in 2007.

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COAH then adopted its second set of Round 3 rules in 2008; these rules also used the Growth Share methodology and were found invalid by the Appellate Division in 2010. COAH was directed to prepare new rules that used the Prior Round methodologies of establishing the statewide and regional affordable housing obligation and assigning municipalities their fair share of the regional affordable housing obligations.

COAH prepared new rules in 2014, but failed to adopt them. In response, a motion was filed with the New Jersey Supreme Court to enforce litigant's rights in response to COAH's lack of action. On March 10, 2015 the Supreme Court issued its decision to enforce litigant's rights and established a procedure for municipalities to transition their COAH applications to the Courts.

The Supreme Court established a new procedure that requires participating towns, such as Closter, to submit a Declaratory Judgment action. The Borough of Closter filed its action of Declaratory Judgment with the Court on or about July 8, 2015.

The Fair Share Housing Center (FSHC), a nonprofit affordable housing advocacy group, was considered an "interested party" in all municipal Declaratory Actions. The FSHC and the Borough engaged in a mediation process under the supervision of the court-appointed Special Master. In addition, one party objected to the Borough's action of Declaratory Judgment. The objector, also referred to as an intervenor, is known as the Corner Farm. Closter, the FSHC and the Corner Farm agreed to settle the litigation. Closter's Settlement Agreement was executed on June 21, 2018. Borough officials participated in a Fairness Hearing before Judge Menelaos Toskos in Bergen County Superior Court on July 24, 2018. At that hearing, Judge Toskos ruled that the Settlement Agreement created a realistic opportunity for the satisfaction of the Borough of Closter's affordable housing obligation. The Borough of Closter received a Final Judgment of Compliance and Repose on February 21, 2019.

Round 4 Affordable Housing

On March 20, 2024 Governor Murphy signed new legislation known as P.L.2024, c.2 that amended the state's Fair Housing Act and changed the affordable housing process in New Jersey.

The Fair Housing Act (FHA) Amendment ("FHA 2" or the "Act") eliminated the Council on Affordable Housing (COAH), directed the Department of Community Affairs (DCA) to prepare nonbinding affordable housing obligations, eliminated and revised available bonus credits, and imposed strict deadlines on municipalities.

Pursuant to the FHA 2, municipalities must adopt a Housing Element and Fair Share Plan by June 30, 2025. This plan conforms to the requirements established in the legislation and FHA 2 and addresses Closter's Prior Round, Round 3 and Round 4 affordable housing obligations.

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Borough of Closter, Bergen County, New Jersey*

Mandatory Contents of the Housing Element

Pursuant to the New Jersey Fair Housing Act (FHA 2), “a municipality’s housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low-and moderate-income housing.” The essential plan components are:

- An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1); and,
- A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
- For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality’s most recent Highlands Municipal Build Out Report, consideration of opportunities for P.L. 2024, redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for

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- 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

This Housing Element and Fair Share Plan Amendment addresses the above requirements.

Analysis of Demographic, Housing, and Employment Characteristics

As required by N.J.S.A. 52:27D-310, all housing elements must contain a discussion of the municipality's demographic, housing, and economic characteristics. The following subsections fulfill this requirement by providing a profile of information for the Borough of Closter from the US Census Bureau, the New Jersey Department of Labor and Workforce Development, and the North Jersey Transportation Planning Authority.

Population Characteristics

Table 1 shows the population trends for the Borough of Closter and Bergen County from 1930 to 2020. As shown, Closter's population increased by 6,092 residents during this period. The three greatest increases occurred in the periods from: 1950 to 1960, when the Borough's population increased by approximately 130.1 percent; 1940 to 1950, when there was an increase of approximately 29.7 percent; and between 1960 and 1970, when population increased by approximately 10.8 percent. In no other decade did the Borough's population increase by more than four (4) percent. There were decreases in population between 1970 and 1980, when the Borough's population decreased by about 5.1 percent; 1980 and 1990, when the Borough's population decreased by 0.9 percent; and 2000 and 2010, when the Borough's population decreased by about 0.1 percent.

Bergen County's population also increased over the period from 1930 to 2020. Indeed, the County's population increased by 590,755 residents over this period. As compared to the Borough, however, change in the County's population was never as great as in the Borough. Indeed, the maximum rate of change in the Borough's population was about 130.1 percent (between 1950 and 1960), but the change in the County's population never exceeded about 44.7 percent (also between 1950 and 1960) in any ten-year period.

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Table 1
POPULATION CHANGE, 1930 – 2020
Borough of Closter and Bergen County

Borough

<u>Year</u>	<u>Population</u>	<u>Number</u>	<u>Change</u>	<u>Percent</u>
1930	2,502	-----		-----
1940	2,603	101		4.0
1950	3,376	773		29.7
1960	7,767	4,391		130.1
1970	8,604	837		10.8
1980	8,164	-440		-5.1
1990	8,094	-70		-0.9
2000	8,383	289		3.6
2010	8,373	-10		-0.1
2020	8,594	221		2.6

County

<u>Year</u>	<u>Population</u>	<u>Number</u>	<u>Change</u>	<u>Percent</u>
1930	364,977	-----		-----
1940	409,646	44,669		12.2
1950	539,139	129,493		31.6
1960	780,255	241,116		44.7
1970	897,148	116,893		15.0
1980	845,385	-51,763		-5.8
1990	825,380	-20,005		-2.4
2000	884,118	58,738		7.1
2010	905,116	20,998		2.4
2020	955,732	50,616		5.6

Sources:

1930 - 1950: "Number of Inhabitants, New Jersey."

<https://www2.Census.Gov/library/publications/decennial/1950/population-volume-2/23024255v2p30ch1.pdf>. U.S. Census Bureau, 1950;

1940 - 2000: "New Jersey Population Trends 1790 to 2000." Division of Labor Market and Demographic Research New Jersey State Data Center, August 2001.

<https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf>;

2010: 2010 U.S. Census (Table P3); and,

2020: 2020 U.S. Census (Table DP1)

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Borough of Closter, Bergen County, New Jersey*

Population Composition by Age

Table 2 shows population by age cohort in the Borough of Closter during 2010 and 2020. As can be seen, the population increased by 221 residents or 2.6 percent between 2010 and 2020. The age cohorts with the largest increases were: 65-74, which increased by 198 residents or 33.1 percent; 85+, which increased by 37 residents or 25.5 percent; 55-64, which increased by 198 residents or 17.9 percent; and 25-34, which increased by 89 residents or 17.5 percent. In no other age-cohort was there an increase of greater than 4.8 percent. The following age-cohorts experienced decreases between 2010 and 2020: 35-44, which decreased by 160 residents or 13.3 percent; 45-54, which decreased by 219 residents or 13.2 percent; and 5-14, which decreased by eight (8) residents or 0.6 percent.

Table 2
POPULATION BY AGE
Borough of Closter

<u>Age Group</u>	2010 Population		2020 Population		Change 2010-2020	
	<u>Persons</u>	<u>Percent</u>	<u>Persons</u>	<u>Percent</u>	<u>Persons</u>	<u>Percent</u>
Under 5	331	4.0	347	4.0	16	4.8
5-14	1,366	16.3	1,358	15.8	-8	-0.6
15-24	1,067	12.7	1,124	13.1	57	5.3
25-34	509	6.1	598	7.0	89	17.5
35-44	1,205	14.4	1,045	12.2	-160	-13.3
45-54	1,656	19.8	1,437	16.7	-219	-13.2
55-64	1,109	13.2	1,307	15.2	198	17.9
65-74	599	7.2	797	9.3	198	33.1
75-84	386	4.6	399	4.6	13	3.4
85+	145	1.7	182	2.1	37	25.5
TOTALS	8,373	100.0	8,594	100.0	221	2.6

Sources:

2010: 2010 U.S. Census (Table PCT12); and,
2020: U.S. Census (Table DP1)

Table 2 shows considerable growth and decline in several age cohorts. The effects of the change in the distribution of Closter's population among age cohorts can be summarized in the change in the median age of the Borough's population, which increased by six-tenths (0.6) of a year, from 43.2 years to 43.8 years, in the period from 2010 to 2020. This represents an increase of about 1.4 percent. By comparison, the median age of Bergen County's population increased by approximately 0.9 years, from 41.1 years to 42.0 years, which equates to an increase of about 2.2 percent. Table 3 summarizes the distribution of the Borough's and County's populations among age cohorts and the change in the median age of said populations.

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Borough of Closter, Bergen County, New Jersey

Table 3

PERCENTAGE POPULATION DISTRIBUTION, 2010 & 2020
 Borough of Closter and Bergen County

<u>Age Group</u>	2010 Percentage of Population		2020 Percentage of Population	
	<u>Borough</u>	<u>County</u>	<u>Borough</u>	<u>County</u>
Under 5	4.0	5.6	4.0	5.0
5-14	16.3	12.9	15.8	12.0
15-24	12.7	11.6	13.1	12.0
25-34	6.1	11.6	7.0	11.8
35-44	14.4	14.3	12.2	13.2
45-54	19.8	16.3	16.7	14.0
55-64	13.2	12.7	15.2	14.3
65+	13.5	15.1	16.0	17.7
TOTALS	100.0	100.0	100.0	100.0
Median Age	43.2	41.1	43.8	42.0

Sources:

2010: 2010 U.S. Census (Tables PCT12, P13)

2020: 2020 U.S. Census (Tables DP1, P13)

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Existing Housing Characteristics

Type of Household

A household is a group of people who occupy a housing unit as their usual place of residence. As shown in Table 4, there were 2,762 households in the Borough of Closter in 2020. The majority, or approximately 86.6 percent, of households consisted of two or more persons. The remaining 13.4 percent of households consisted of one person. Table 4 provides additional details on the types of households in Closter Borough during 2020.

Table 4
TYPES OF HOUSEHOLDS, 2020

Borough of Closter

<u>Type of Households</u>	<u>Total</u>	<u>Number in Subgroup</u>	<u>Percent of Total</u>
TOTAL HOUSEHOLDS	2,762		
One Person		369	13.4
Male Householder	154		5.6
65 years or older	71		2.6
Female Householder	215		7.8
65 years or older	147		5.3
Two or More Persons		2,393	86.6
<i>Married Couple Families</i>	1,958		70.9
With Own Children Under 18	950		34.4
<i>Cohabiting Couple</i>	52		1.9
With Own Children Under 18	19		0.7
<i>Male Householder Not living alone</i>	151		5.5
With Own Children Under 18	53		1.9
<i>Female Householder Not living alone</i>	232		8.4
With Own Children Under 18	77		2.8

Sources:

2020 U.S. Census (Table DP1)

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Borough of Closter, Bergen County, New Jersey

Household Size

Table 5 provides further details on household size in the Borough of Closter during 2020. As shown, the most frequent household size was two persons, which accounted for 25.4 percent of all households in Closter and 29.1 percent of all households in Bergen County. The average household size in Closter was 3.09, which is 0.39 more than the average household size of 2.70 in Bergen County during 2020.

Table 5
HOUSEHOLD SIZE, 2020
Borough of Closter & Bergen County

Household Size	<u>Borough of Closter</u>		<u>Bergen County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 Person	369	13.4	84,254	24.0
2 Persons	702	25.4	102,218	29.1
3 Persons	585	21.2	63,130	18.0
4 Persons	671	24.3	61,107	17.4
5 Persons	308	11.2	26,098	7.4
6+ Persons	127	4.6	13,857	4.0
TOTALS	2,762	100.0	350,664	100.0
Average Household Size	3.09		2.70	

Source:

2020 U.S. Census (Tables H12, DP1)

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Per Capita and Household Income

Table 6 displays the per capita income, median household income, and population poverty status of Closter, Bergen County and the State of New Jersey. This data is derived from the 2023 American Community Survey Five-Year Estimates and represents estimated average conditions over the five-year period ending in 2023.

As shown in Table 6, Closter had a higher per capita income at \$74,100 than in Bergen County and New Jersey, where the per capita incomes were \$62,968 and \$53,118, respectively. Closter also had a higher median household income at \$187,500 than Bergen County and New Jersey, where the median household incomes were \$123,715 and \$101,050, respectively. Additionally, the Borough had 7.2 percent of its population living below poverty status, which is slightly higher than in Bergen County but lower than in the State of New Jersey. In Bergen County, 6.7 percent of the population lived below poverty status. In New Jersey, 9.8 percent of the population lived below poverty status.

Table 6
PER CAPITA AND HOUSEHOLD INCOME; POVERTY STATUS 2023
Borough of Closter, Bergen County & New Jersey

	<u>Per Capita Income</u>	<u>Median Household Income</u>	<u>Percentage of Population Below Poverty Status</u>
Borough of Closter	\$74,100	\$187,500	7.2
Bergen County	\$62,968	\$123,715	6.7
New Jersey	\$53,118	\$101,050	9.8

Source:
2023 American Community Survey 5-Year Estimates (Tables BP19301, S1901 and S1701)

*Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey*

Family Income Distribution

Table 7 details family income for the Borough and County as represented by 2023 American Community Survey Five-Year Estimates. Approximately 79.3 percent of Closter's families earned \$75,000 or more. By comparison, 77.6 percent of Bergen County's families earned \$75,000 or more.

Table 7
FAMILY INCOME DISTRIBUTION, 2023
Borough of Closter & Bergen County

<u>Income Levels</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	33	1.4	4,882	1.9
\$10,000 - \$14,999	28	1.2	2,555	1.0
\$15,000 - \$24,999	90	3.8	6,022	2.4
\$25,000 - \$34,999	20	0.9	7,350	2.9
\$35,000 - \$49,999	45	1.9	12,602	5.0
\$50,000 - \$74,999	270	11.5	23,286	9.2
\$75,000 - \$99,999	163	7.0	23,706	9.4
\$100,000 - \$149,999	322	13.7	45,647	18.1
\$150,000 - \$199,999	222	9.5	36,887	14.6
\$200,000 or more	1,149	49.1	89,702	35.5
TOTALS	2,343	100.0	252,639	100.0

Source:

2023 American Community Survey 5-Year Estimates (Table DP03)

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Housing Affordability

Table 8 identifies the maximum income limits for low, very low- and moderate-income households in Housing Region 1. All of Bergen, Hudson, Passaic and Sussex counties are in Housing Region 1.

Closter is in Housing Region 1. As of 2025, the median household income for a three-person household in Housing Region 1 was \$114,500. A three-person moderate-income household, defined as a household with an income in excess of 50 percent but less than 80 percent of the median income, would have an income that does not exceed \$91,600. A four-person low-income household, defined as a household with income equal to or less than 50 percent but more than 30 percent of the median income, would have an income that does not exceed \$63,600. A two-person very low-income household, defined as a household with an income equal to 30 percent or less of the median income, would have an income that does not exceed \$30,540. Finally, the 1.5 person, three-person and 4.5-person columns are used for calculating the pricing for one-, two- and three-bedroom affordable units.

Table 8
2025 REGIONAL INCOME LIMITS
HOUSING REGION 1

<u>Household Size</u>	<u>Median Income</u>	<u>Moderate Income</u>	<u>Low Income</u>	<u>Very Low Income</u>
1 Person	\$89,100	\$71,280	\$44,550	\$26,730
1.5 Person	\$95,450	\$76,360	\$47,725	\$28,635
2 Person	\$101,800	\$81,440	\$50,900	\$30,540
2.5 Person	\$108,150	\$86,520	\$54,075	\$32,445
3 Person	\$114,500	\$91,600	\$57,250	\$34,350
4 Person	\$127,200	\$101,760	\$63,600	\$38,160
4.5 Person	\$132,300	\$105,840	\$66,150	\$39,690
5 Person	\$137,400	\$109,920	\$68,700	\$41,220
6 Person	\$147,600	\$118,080	\$73,800	\$44,280
7 Person	\$157,800	\$126,240	\$78,900	\$47,340
8 Person	\$168,000	\$134,400	\$84,000	\$50,400

Source:

2025 Affordable Housing Regional Income Limits by Household Size, Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) – May 16, 2025

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Borough of Closter, Bergen County, New Jersey*

Housing Unit Data

In 2020, there were 2,891 housing units in Closter, of which 2,762 or 95.5 percent were occupied. By comparison, the County had 367,383 housing units, of which 350,664 or 95.4 percent were occupied.

As shown in Table 9, owner-occupied housing stock comprised a greater percentage of the Borough's housing stock than in the County's housing stock. In 2020, approximately 82.6 percent of the Borough's housing stock, versus 63.1 percent of the County's housing stock, was owner-occupied.

Table 9

HOUSING UNIT DATA, 2020
Borough of Closter & Bergen County

	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Unit Type				
Occupied	2,762	95.5	350,664	95.4
Vacant, Seasonal & Migratory	129	4.5	16,719	4.6
TOTALS	2,891	100.0	367,383	100.0
Owner vs Renter Occupied Units				
Owner Occupied	2,281	82.6	221,274	63.1
Renter Occupied	481	17.4	129,390	36.9
TOTALS	2,762	100.0	350,664	100.0

Source:

2020 U.S. Census (Table DP1)

*Housing Plan Element and Fair Share Plan – Round 4
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Year Householder Moved into Unit

Table 10 provides the year the current householders moved into the Closter and Bergen County homes. As shown, 72.0 percent of the Borough’s households moved into their current residences during or after 2000, compared to 74.2 percent countywide. Approximately 28.0 percent of the Borough’s households and 25.8 percent of the County’s households moved into their residences before 2000.

Table 10
YEAR HOUSEHOLDER MOVED INTO UNIT, 2023
Borough of Closter & Bergen County

<u>Year Householder Moved into Unit</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
2021 or later	164	6.2	27,042	7.7
2010 - 2020	1,147	43.6	165,730	46.9
2000 - 2009	583	22.2	69,267	19.6
1990 - 1999	347	13.2	42,548	12.0
1989 or earlier	391	14.9	48,720	13.8
TOTALS	2,632	100.0	353,307	100.0

Source:
2023 American Community Survey 5-Year Estimates (Table DP04)

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Housing Unit Information

Table 11 includes a variety of information from the American Community Survey on the Borough of Closter and Bergen County housing stocks, including when the housing unit was built, the number of units per structure, and the number of rooms and bedrooms per unit.

As shown, approximately 91.3 percent of the Borough’s housing stock consists of single-family detached structures. In contrast, single-family detached homes comprise approximately 53.2 percent of the County’s housing stock.

As shown in Table 11, the Borough’s housing stock contains more rooms than the County’s housing stock. In 2023, about 81.6 percent of Closter’s housing units contained six (6) or more rooms, while approximately 54.7 percent of the County’s housing stock recorded the same number of rooms. On the other hand, about 53.5 percent of the Borough’s housing units contain four or more bedrooms, compared with approximately 27.2 percent of the County’s housing stock.

Finally, approximately 82.6 percent of the Borough’s housing stock was built before 1980. Similarly, about 78.9 percent of the County’s housing stock was built before 1980.

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Table 11

HOUSING UNIT INFORMATION, 2023
Borough of Closter & Bergen County

	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total Units	2,723	100.0	368,535	100.0
<u>Units in Structure</u>				
One (Single Family Detached)	2,486	91.3	196,102	53.2
One (Single Family Attached)	13	0.5	22,284	6.0
Two+ Units	224	8.2	148,595	40.3
Mobile Home, Trailer, Other	0	0.0	1,554	0.4
<u>Number of Rooms</u>				
1 Room	45	1.7	10,090	2.7
2 or 3 Rooms	85	3.1	54,929	14.9
4 or 5 Rooms	372	13.7	101,934	27.7
6 or 7 Rooms	1,141	41.9	103,786	28.2
8+ Rooms	1,080	39.7	97,796	26.5
<u>Number of Bedrooms</u>				
No Bedroom	45	1.7	11,192	3.0
1 Bedroom	73	2.7	58,568	15.9
2 or 3 Bedrooms	1,147	42.1	198,472	53.9
4+ Bedrooms	1,458	53.5	100,303	27.2
<u>Year Structure Built</u>				
2020 - later	19	0.7	2,486	0.7
2010 - 2019	114	4.2	18,587	5.0
2000 - 2009	73	2.7	21,455	5.8
1990 - 1999	179	6.6	20,951	5.7
1980 - 1989	188	6.9	30,051	8.2
1960 - 1979	564	20.7	86,461	23.5
1940 - 1959	1,057	38.8	116,865	31.7
1939 or earlier	529	19.4	71,679	19.4

Source:

2023 American Community Survey 5-Year Estimates (Table DP04)

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Housing Conditions

Housing conditions in Closter are excellent. As shown in Table 12, none of the Borough's housing units lack complete plumbing or kitchen facilities, and just 0.7 percent lack phone service. This compares to 0.3, 0.7 and 0.8 percent, respectively, in the county overall.

In addition to the above, just 1.9 percent of the Borough's housing stock has more than one person per room, compared to about 3.4 percent of the County's housing stock. Having more than one person per room is an indicator of overcrowding.

Table 12
INDICATORS OF HOUSING CONDITIONS, 2023
Borough of Closter & Bergen County

	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<u>Total Occupied Units</u>	2,632		353,307	
Units Lacking Complete Plumbing	0	0.0	899	0.3
Units Lacking Kitchen Facilities	0	0.0	2,541	0.7
No telephone service	18	0.7	2,797	0.8
 <u>Persons per Room, Occupied Units</u>				
1.00 or less	2,581	98.1	341,275	96.6
1.01 to 1.50	51	1.9	7,036	2.0
1.51 or more	0	0.0	4,996	1.4
TOTALS	2,632	100.0	353,307	100.0

Source:

2023 American Community Survey 5-Year Estimates (Table DP04)

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Housing Values

Table 13 shows 2023 housing values for the Borough of Closter and Bergen County. As indicated, approximately 97.1 percent of the Borough's owner-occupied housing units are valued at over \$300,000. This is higher than in the County, where only about 89.9 percent of the owner-occupied housing units are valued at over \$300,000. This higher percentage of units is reflected in the fact that the median value of owner-occupied units in Bergen County is lower than in the Borough. Indeed, the median value of owner-occupied units is \$593,200 in Bergen County, but \$820,100 in Closter Borough.

Table 13

OWNER-OCCUPIED HOUSING VALUES, 2023
Borough of Closter & Bergen County

<u>Housing Value</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$50,000	51	2.4	4,241	1.8
\$50,000 - \$99,999	0	0.0	2,583	1.1
\$100,000 - \$149,999	0	0.0	2,366	1.0
\$150,000 - \$199,999	7	0.3	2,680	1.2
\$200,000 - \$299,999	5	0.2	11,285	4.9
\$300,000 - \$499,999	53	2.5	62,212	26.9
\$500,000 - \$999,999	1,386	64.2	115,000	49.8
\$1,000,000 or more	657	30.4	30,556	13.2
TOTALS	2,159	100.0	230,923	100.0
Median Value	\$ 820,100		\$ 593,200	

Source:

2023 American Community Survey 5-Year Estimates (Table DP04)

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Contract Rents

Table 14 details the gross rents for renter-occupied units in Closter and Bergen County. As shown, the median monthly rent in Closter was \$2,651. In Bergen County overall, however, the median rent was \$1,863. In Closter, about 33.2 percent of all cash rents were at least \$3,000, whereas in Bergen County only about 13.2 percent of all cash rents were \$3,000 or more.

Table 14
GROSS RENTS, 2023
OCCUPIED UNITS PAYING RENT
Borough of Closter & Bergen County

<u>Contract Rents</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$500	15	3.2	3,870	3.3
\$500 - \$999	4	0.8	5,086	4.3
\$1,000 - \$1,499	82	17.3	21,678	18.3
\$1,500 - \$1,999	72	15.2	39,395	33.3
\$2,000 - \$2,499	29	6.1	21,731	18.3
\$2,500 - \$2,999	114	24.1	11,103	9.4
\$3,000 or more	157	33.2	15,614	13.2
TOTALS	473	100.0	118,477	100.0
Median Rent	\$ 2,651		\$ 1,863	

Source:
2023 American Community Survey 5-Year Estimates (Table DP04)

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Employment Data

Table 15 details the occupational characteristics of Closter residents as indicated by 2023 American Community Survey Five-Year Estimates. As indicated, the largest occupational group among Closter residents aged 16 years and over engaged in the civilian labor force is “Management, Business Science & Arts” with about 58.0 percent. This was also the largest occupational group in Bergen County with about 53.3 percent of County residents aged 16 years and over engaged in the civilian labor force. The second largest occupational group was “Sales & Office Occupations,” which accounted for 19.6 percent and 20.4 percent of the Borough and County residents aged 16 years and over engaged in the civilian labor force, respectively. The third largest occupational group was “Service Occupations,” which accounted for 9.8 percent of the Borough residents and 12.4 percent of the County residents aged 16 years and over engaged in the civilian labor force. In total, these three occupational groups accounted for about 87.4 percent of the Borough residents and 86.2 percent of the County residents aged 16 years and over engaged in the civilian labor force.

With regard to the industry of employment, it is noted that the top-three industries of employment among Borough residents aged 16 years and over and engaged in the civilian labor force were “Educational Services, Health Care/Social Assist.” with 24.7 percent; “Professional, Scientific, Management” with 18.8 percent; and “Finance, Insurance, Real Estate” with 12.7 percent. Among County residents, the top-three industries of employment were “Educational Services, Health Care/Social Assist.” with 25.1 percent; “Professional, Scientific, Management” with 15.2 percent; and “Retail Trade” with 10.2 percent.

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Table 15
OCCUPATIONAL CHARACTERISTICS, 2023
Borough of Closter & Bergen County

<u>Occupation Group</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Management, Business, Science & Arts	2,503	58.0	263,942	53.3
Service Occupations	425	9.8	61,574	12.4
Sales & Office Occupations	847	19.6	101,185	20.4
Nat. Resources, Construction & Maint.	220	5.1	25,740	5.2
Production, Transportation & Material	321	7.4	42,480	8.6
TOTALS	4,316	100.0	494,921	100.0

<u>Industry</u>	<u>Borough</u>		<u>County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Agriculture, Forestry, Fishing	0	0.0	636	0.1
Construction	224	5.2	25,742	5.2
Manufacturing	262	6.1	38,180	7.7
Wholesale Trade	225	5.2	18,362	3.7
Retail Trade	444	10.3	50,517	10.2
Transportation & Warehousing	202	4.7	25,586	5.2
Information	126	2.9	14,303	2.9
Finance, Insurance, Real Estate	546	12.7	50,356	10.2
Professional, Scientific, Management	813	18.8	75,107	15.2
Edu. Services, Health Care/Social Assist.	1067	24.7	124,338	25.1
Arts, Entertain., Recreation, Food Services	212	4.9	33,665	6.8
Other Services, Except Public Admin.	91	2.1	22,115	4.5
Public Administration	104	2.4	16,014	3.2
TOTALS	4,316	100.0	494,921	100.0

Source:

2023 American Community Survey 5-Year Estimates (Tables S2401, S2405)

Data from the New Jersey Department of Labor and Workforce Development indicates that there was an average total of 3,202 private sector jobs located in Closter during 2023. This represents jobs located in Closter, not the occupational characteristics of Closter's residents.

Table 16 provides data on the sector of employment of 3,202 private jobs located within the Borough of Closter. Of these jobs, 773 or 24.2 percent were classified as "Retail Trade." An additional 447 jobs or 14.0 percent were classified as "Health/Social," and an additional 405 jobs or 12.7 percent were classified as "Accommodations/Food." These three employment sectors account for about 50.9

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percent of all jobs located within the Borough of Closter. All other sectors for which data was provided accounted for 6.7 percent or less of all jobs.

While the New Jersey Department of Labor and Workforce Development has provided information on the sector of employment for 87.7 percent of the private jobs located within the Borough of Closter, it has not disclosed sector of employment for 12.3 percent of the 3,202 private jobs located within the Borough. Typical reasons why the New Jersey Department of Labor and Workforce Development would not provide the number of jobs in a particular sector include the presence of only one or very few employers in a particular sector, or the presence of a very limited number of jobs in a sector. In such cases, the New Jersey Department of Labor and Workforce Development withholds information so as to not release what could be perceived as confidential information.

Table 16
PRIVATE EMPLOYMENT BY SECTOR, 2023
Borough of Closter

<u>Employee Sector</u>	<u>Borough</u>	
	<u>Number</u>	<u>Percent</u>
Agriculture	Undisclosed	Undisclosed
Mining	Undisclosed	Undisclosed
Construction	149	4.7
Manufacturing	Undisclosed	Undisclosed
Wholesale Trade	133	4.1
Retail Trade	773	24.2
Transportation/Warehousing	Undisclosed	Undisclosed
Information	Undisclosed	Undisclosed
Finance/Insurance	66	2.1
Real Estate	45	1.4
Professional/Technical	148	4.6
Management	Undisclosed	Undisclosed
Admin/Waste Remediation	215	6.7
Education	90	2.8
Health/Social	447	14.0
Arts/Entertainment	119	3.7
Accommodations/Food	405	12.7
Other Services	194	6.0
Unclassified	23	0.7
TOTAL	3,202	100.0

Source:

New Jersey Department of Labor and Workforce Development

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Residential Construction

Table 17 contains data on dwelling units authorized by building permit and demolished with a demolition permit from 2012 through 2023. This data has been obtained from the New Jersey Department of Community Affairs.

In the reported period, a total of 114 new units were created and 102 units were demolished, resulting in a net increase of 12 units. The average annual net change in the reported period was slightly more than 1.0 units.

Table 17
NEW DWELLING UNITS AUTHORIZED BY BUILDING PERMIT & HOUSING UNITS
DEMOLISHED: 2012 - 2023
Borough of Closter

<u>Year</u>	<u>New Units</u>	<u>Demolitions</u>	<u>Net Increase</u>
2012	7	5	2
2013	8	8	0
2014	12	14	-2
2015	9	5	4
2016	6	9	-3
2017	17	13	4
2018	11	9	2
2019	8	10	-2
2020	12	6	6
2021	8	11	-3
2022	10	6	4
2023	6	6	0
TOTALS	114	102	12

Source:
“Development Trends Viewer.” State of New Jersey Department of Community Affairs,
September 16, 2024. Accessed February 4, 2025.
https://www.nj.gov/dca/codes/reporter/Development_Trend_Viewer.xlsb.

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Population and Household Projection

As has been previously mentioned, the Borough of Closter’s population was 8,594 at the time of the 2020 United States Census.

The North Jersey Transportation Planning Authority has released 2050 population and household projections for its constituent municipalities. The 2050 population projection for Closter is 9,873, which represents an increase of 1,279 residents over the 2020 United States Census population of 8,594 residents. The 2050 household projection for Closter is 3,153, which represents an increase of 391 households over the 2020 United States Census count of 2,762 households.

N.J.S.A. 52:27D-310.b require that Housing Elements and Fair Share Plans include a household projection for the next ten years. When the 2050 projections of the North Jersey Transportation Planning Authority are linearly adjusted to represent 2035 values, projections of 9,234 residents and 2,958 households result. This is summarized in Table 18.

Table 18
POPULATION AND HOUSEHOLD PROJECTION, 2015 - 2050
Borough of Closter

<u>2020 Census Population</u>	<u>2035 Population Projection (Adjusted from 2050)</u>	<u>2050 Population Projection</u>
8,594	9,234	9,873
<u>2020 Census Households</u>	<u>2035 Household Projection (Adjusted from 2050)</u>	<u>2050 Household Projection</u>
2,762	2,958	3,153

Sources:
2020: United States Census;
2035: Calculated by T&M based on 2050 values; and,
2050: North Jersey Transportation Planning Authority.

The foregoing information has been provided for informational purposes only and in response to N.J.S.A. 52:27D-310.b.

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Employment Projection

The North Jersey Transportation Planning Authority (NJTPA) has released a 2050 employment projection for the Borough of Closter of 3,299, which represents an increase of 97 jobs over the Borough’s 2023 average total of 3,202 private sector jobs.

When the NJTPA’s 2050 employment projection is linearly adjusted to represent 2035 values, an adjusted 2035 employment projection of 3,245 jobs results. This is summarized in Table 19.

Table 19
EMPLOYMENT PROJECTION, 2023 - 2050
Borough of Closter

<u>2023</u> <u>Private Sector</u> <u>Employment</u>	<u>2035</u> <u>Adjusted Employment</u> <u>Projection</u>	<u>2050</u> <u>Employment</u> <u>Projection</u>
3,202	3,245	3,299

Sources:
2023: New Jersey Department of Labor and Workforce Development;
2035: Calculated by T&M; and,
2050: North Jersey Transportation Planning Authority.

Note:
2023 average of 3,202 private sector jobs + ((2050 Employment Projection of 3,299 jobs – 2023 average of 3,202 private sector jobs) ÷ (2050 – 2023)) × 12 years = 2,503 jobs in 2035.

The foregoing information has been provided for informational purposes only and in response to N.J.S.A. 52:27D-310.d.

Fair Share Plan

Affordable Housing Obligation

A municipality's affordable housing obligation is made up of both a present need (rehabilitation obligation) and a prospective need obligation. Obligations are calculated in time periods known as "rounds."

Previous Round obligations have either been determined by the New Jersey Council on Affordable Housing (COAH), or by Court decisions. However, pursuant to FHA 2, for Round 4 and subsequent rounds, the Department of Community Affairs (DCA) was directed to provide a non-binding calculation of regional need and municipal present and prospective need obligations in accordance with the formula contained in the Act.

DCA calculated a Round 4 present need obligation of 16 units and a prospective need obligation of 251 units for the Borough of Closter. The Borough analyzed the data that resulted in the obligation and, as permitted under the FHA 2, calculated a prospective need obligation of 228 units. The Borough adopted a binding resolution stipulating its Round 4 affordable housing obligations on January 28, 2025.

The New Jersey Builders Association (NJBA) objected to the Borough's asserted prospective need obligation. A settlement was reached between the parties for a prospective need obligation of 241 units.

Closter's affordable housing obligations are as follows:

- Prior Round (Rounds 1 & 2, from 1987-1999) Obligation: 110 units
- Round 3 (from 1999-2025) Prospective Need Obligation: 347 Units
- Round 4 (from 2025-2035) Present Need (Rehabilitation Obligation): 16 units
- Round 4 (from 2025-2035) Prospective Need Obligation: 241 Units

The Borough's affordable housing obligation and the manner in which it has met and intends to meet it, is described in the following subsections.

Prior Round Obligation¹

The Borough's court approved 2018 Housing Element and Fair Share Plan states the following regarding Closter's Prior Round Obligation.

"The Borough originally petitioned COAH under Prior Round rules on September 28, 1998 for Substantive Certification of its Housing Element and Fair Share

¹ Borough of Closter's 2018 Housing Element & Fair Share Plan.

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Plan. Based on COAH's formulas and methodologies, the Borough's Prior Round obligation was affirmed as 110 units.

The Borough submitted a vacant land adjustment request as part of its petition. COAH staff conducted an analysis of the vacant land inventory in the Borough and identified 13 sites with development potential. Some were encumbered with freshwater wetlands based on COAH's "best available data on freshwater wetlands (FWW) geographic information system (GIS) layers generated under the New Jersey Freshwater Wetlands Mapping Program." After review of the vacant land inventory considering environmental constraints, COAH determined that Closter had a Realistic Development Potential (RDP) of 62 affordable units. The remaining 48 unit obligation was classified as the unmet need obligation.

The Borough repitioned with a revised plan to address the 62-unit RDP on September 9, 2001. Closter met the 62 unit RDP through a variety of affordable housing mechanisms, including supportive living, inclusionary zoning, and a Regional Contribution Agreement."

The Borough of Closter addressed its 62 unit Prior Round RDP with the following mechanisms:

Spectrum for Living (Spectrum 2). Spectrum for Living operates a 16 apartment group home at Block 1104, Lot 14.01 located at 19 Van Sciver Street. The Borough donated the property to Spectrum and provided the necessary zoning to allow construction of the 16-unit group home. The Spectrum site, also referred to as the Closter Apartments, is a barrier-free supervised apartment program for 16 individuals with developmental disabilities.

Known as Spectrum 2, this site provided **16 units of rental credit** toward the Prior Round RDP and **16 bonus credits**.

Vantage Health. The Borough also received three units of rental for a three-bedroom alternative living arrangement operated by Vantage Health System. This property is located at 312 Harrington Ave, and consists of three affordable bedroom units providing mental health residential services. Vantage received a grant under HED Section 811 to acquire the property.

The Vantage property provides **three units of credit** toward the Prior Round RDP.

Affordable Housing/AH Zone. Closter expanded its AH zone to include additional lots. In addition, the permitted uses in the AH zone were amended to include age-restricted multi-family housing with a density of six units per acre with a 20% set-aside for affordable units. The zoning on the property created a realistic opportunity for one age-restricted affordable unit, and therefore, **one credit** toward the Prior Round RDP.

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Regional Contribution Agreement (RCA). COAH's Prior Round rules permitted Closter to transfer up to half of its RDP to a municipality in the same housing region through a Regional Contribution Agreement (RCA). COAH approved a 26-unit RCA agreement with Fairview Borough on February 4, 2003. Closter paid \$520,000 from its Trust Fund account for the transfer of 26 affordable units to Fairview.

Closter received **26 credits** toward its Prior Round RDP for the RCA with Fairview.

Prior Round Unmet Need

Closter's Prior Round approval included an unmet need of 48 units. The Borough addressed the unmet need through the following mechanisms:

- Collection of development fees.
- Zone District #3: Affordable Accessory Apartments permitted as a conditional use.
- Zone Districts #4 and #5: Overlay zoning permitting owner-occupied housing at a density of 8 units per acre with a 20% affordable set-aside, or rental housing at a density of 10 units per acre with a 20% affordable set-aside.

Round 3 Prospective Need

The Borough of Closter's **Round 3 prospective need obligation is 347 units**. The Borough reached settlement with the FSHC in 2018. The settlement recognized that, as was the case in the prior round, Closter did not have sufficient vacant land to build or to zone for its entire obligation, and, therefore, received a Vacant Land Adjustment (VLA). The VLA resulted in the calculation of a Realistic Development Potential (RDP) of 45 units. The Borough's settlement agreement and the 2018 Housing Element & Fair Share Plan actually exceeded the 45-unit RDP.

The Borough of Closter addressed its Round 3 RDP with the following affordable housing mechanisms:

Vantage Health. This 16 unit supportive housing development is located on Railroad Ave. on property donated by the Borough. The Vantage property has been constructed and occupied since 2012.

The Vantage Property provided **16 very low-income rental credits** toward the Round 3 RDP.

Village School. The Village School is an adaptive reuse of a former school building located at Block 1316, Lot 6 or 511 Durie Ave. The site contains approximately 1.57 acres.

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Village School is a 100% affordable development that will contain 35 affordable units, all of which will conform to UHAC requirements for bedroom and income distribution, and include the 13% very low-income units.

The site does not contain any environmental constraints. The Borough has partnered with Mastermind to develop the site. Construction has started with the asbestos removal completed, as well as demolition of the prior addition and the interior of the remainder of the building.

The Village School provided **35 affordable rental credits** toward the Round 3 RDP.

Accessory Apartment Ordinance. The Borough adopted Ordinance No. 2018:1246 on December 20, 2018, which permits affordable accessory apartments in certain locations in Zone District #2. The Accessory Apartment Ordinance provided **10 units** of affordable rental credits toward the Round 3 RDP.

The accessory apartment ordinance has been successful. The Closter Zoning Board of Adjustment approved an affordable accessory apartment at 465 High Street as memorialized in a resolution approved on May 19, 2021. The approved affordable accessory apartment unit is constructed.

Bonus Credits: The Borough received **12 units of bonus credit** toward its affordable housing obligation.

As shown, the Borough of Closter provided a total of 73 credits to address its 45 unit Round 3 RDP.

Round 3 Unmet Need

The following compliance mechanisms were utilized to address the Borough's unmet need obligation.

- Surplus credits from Round 3.
- Establishment of District #3A with overlay zoning that allows mixed use development where the residential component includes an affordable set-aside.
- Modification of the overlay zoning for District #4 and a portion of District #5 to increase the permitted density for apartments to 12 units per acre.
- Overlay zoning on 515 Piermont Road (Block 1605, Lot 17) to permit the development of 12 residential units, of which two (2) would be affordable.
- Adoption of a mandatory-set aside ordinance that provides for an affordable housing set-aside on future residential development.

The Borough has adopted all of the above listed ordinances.

It is important to note that the Borough's overlay zoning has been successful. The Closter Zoning Board of Adjustment approved an application pursuant to the overlay

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zoning in District #3A. The application was for a property located at 162 Closter Dock Road and is memorialized in a resolution approved on June 17, 2020. The approval was for four residential units, of which one is an affordable unit. This development is presently under construction.

Round 4 Present Need

The present need is a measure of overcrowded and deficient housing that is occupied by low- and moderate-income households. The present need has previously been called “rehabilitation share.” **Closter’s Round 4 present need obligation is 16 units.**

Closter proposes to establish a municipal rehabilitation program that targets low- and moderate-income housing units (incl., owner-occupied and rental units) throughout the Borough. Closter has amended its Inter-Local Agreement with the Borough of Paramus to include Rehabilitation services. A resolution memorializing the agreement with the Borough of Paramus is included in Appendix F. The rehabilitation program will be funded by the Affordable Housing Trust Fund.

Closter’s rehabilitation program will be available to low- and moderate-income households. Owner and renter occupied units may receive up to \$24,000 for the rehabilitation of at least one major system. A major system can include a roof, plumbing, heating, electrical, sanitary plumbing, load bearing system, lead paint abatement or weatherization.

In addition to the above, all Borough residents are eligible to participate in the Bergen County Home Improvement Program.

Round 4 Prospective Need

Closter’s Round 4 prospective need obligation is 241 units. As was the case in Rounds 1-3, the Borough does not have sufficient vacant land to zone for or build for its full Round 4 obligation.

Round 4 Vacant Land Adjustment

Because the Borough does not have sufficient vacant land to zone for or build for its full Round 4 obligation, it is entitled to a Vacant Land Adjustment (VLA) for Round 4. The Round 4 VLA table and associated mapping is included in Appendix A. The VLA was prepared pursuant to COAH Round 2 rules contained in N.J.A.C. 5:93-4.2 and the FHA 2.

In its preparation of the Round 4 VLA, the Borough relied upon all analyses and conclusions from its approved Round 3 VLA. The Round 4 VLA analyzed vacant lots with a tax assessment classification of 1, vacant land or 15C, public property. Full lots, or portions thereof, that contain environmental constraints, such as wetlands, buffers, flood hazard areas, riparian buffers, were excluded from the analysis.

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Properties that are listed on the Borough’s Recreation and Open Space Inventory (ROSI) were excluded, in addition to properties that are a Round 3 compliance mechanism or were identified as not buildable in Round 3. A six-unit per acre density was applied to the remaining lots or portions thereof.

The resulting RDP was zero (0) units.

Round 4 Unmet Need

The Borough proposes the following unmet need mechanisms:

- Continuation of the mandatory set-aside ordinance.
- Continuation of collection of development fees.
- New and modified overlay zoning as described below, which provide the potential opportunity for 86 new affordable housing units.

The FHA 2 contains the following new requirement:

*Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of **the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation**, or demonstrate why the municipality is unable to do so. (emphasis added)*

The Borough’s Round 4 obligation is 241 units. The Borough has a zero (0) unit RDP, resulting in 241 units of unmet need. Therefore, the Borough must provide realistic zoning for a minimum of 61 affordable units ($241 \times 0.25 = 60.25$, rounded up to 61).

To address the unmet need obligation, the Borough proposes the following:

Revisions to the District #3A Overlay Zone Set-Aside. As indicated in the Borough’s court approved Round 3 plan, the District #3A overlay zone contains approximately 22 acres. The current affordable set-aside permits a 15% set-aside for rentals and a 20% set-aside for “for sale” units. The Borough proposes to increase the required set-aside to 20%, regardless of tenure. This change results in the potential for **11 additional affordable units** (22 acres of Zone 3A \times 10 units per acre = 220 total potential units; current 15% set-aside results in 33 affordable units. Proposed set-aside of 20% increases potential affordable unit to 44, which is an increase of 11 affordable units).

Addition of Block 1607, Lots 3, and 3.01 to 3.33 to District #3A. The addition of these new lots, commonly known as the Closter Commons, to District #3A results in approximately seven (7) additional acres added to District 3A, which includes overlay

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zoning at 10 units per acre with a 20% affordable set-aside. The proposed addition of three lots to District #3A results in the potential for an additional **14 affordable units** (7 acres × 10 units per acre = 70 potential total units, of which 14 would be affordable units).

New Overlay Zoning on District #4B. This zone district consists of approximately 22 acres and includes the following: Block 1601, Lots 1-4, 6 and a portion of Lot 5; Blocks 1603 and 1604 in their entirety. The proposed overlay zone would permit residential development at 14 units per acre. Therefore, the new overlay zoning offers the potential for 308 total units (22 acres × 14 units per acre = 308), of which **61 would be affordable units**.

The above listed ordinance revisions are included in a draft ordinance contained in Appendix E. These locations all meet the definitions of approvable, available, developable and suitable per affordable housing regulations. The properties will be rezoned to permit inclusionary development; they have access to water and sewer infrastructure and are situated in an area where growth is identified to occur.

The proposed overlay zone revisions result in the potential for an additional 86 affordable units, which exceed the 61 units necessary for the 25% requirement, and provide a realistic opportunity for successful unmet need mechanisms.

Availability of Existing and Planned Infrastructure

The majority of the site proposed to address the unmet need is located in State Planning Area 1. Closter offers a developed infrastructure.

Consideration of Lands Appropriate for Affordable Housing

Closter is a developed community with no vacant land. The Borough anticipates that future development and growth will predominantly be limited to its existing commercial and industrial areas, many of which are identified as proposed overlay zones.

The owner of the property located at 515 Piermont provided a May 29, 2025 letter to the Borough, requesting that the subject property be considered for the Round 4 plan. It is noted that the owner only provided a letter; concept plans were not provided. The property owner's letter did not contain any details about how the site could address the Borough's Round 4 obligation. Therefore, the Borough did not have sufficient information to judge whether a suitable proposal was provided.

Furthermore, 515 Piermont is included as an unmet need mechanism in the Borough's Round 3 plan, and the Borough adopted overlay zoning on the site. The overlay zoning was the result of negotiations with the property owner during the preparation of the Round 3 plan. The site is also known as the Corner Farm, which

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formally intervened in Closter's Round 3 Declaratory Judgment action. Therefore, 515 Piermont is included in the Borough's affordable housing plan.

Consistency with the State Development and Redevelopment Plan

The 2001 New Jersey State Development and Redevelopment Plan (SDRP) contains a series of smart growth goals and policies, and mapping that reflects desired growth patterns within a series of state planning areas.

As provided in the SDRP, the proposed overlay zone district is located within Planning Area 1, which is also known as the Metropolitan Planning Area. In the Metropolitan Planning Area, the SDRP's intention is to:

- Provide for much of the State's future redevelopment;
- Revitalize cities and towns;
- Promote growth in compact forms;
- Stabilize older suburbs;
- Redesign areas of sprawl; and
- Protect the character of existing stable communities.

Additionally, it is noted that the 2001 SDRP outlines several policy objectives for the Metropolitan Planning Area, including:

- Land Use: Promote redevelopment and development in cores and neighborhoods of centers and in nodes that have been identified through cooperative regional planning efforts. Promote diversification of land uses, including housing where appropriate, in single-use developments and enhance their linkages to the rest of the community. Ensure efficient and beneficial utilization of scarce land resources throughout the Planning Area to strengthen its existing diversified and compact nature.
- Housing: Provide a full range of housing choices through redevelopment, new construction, rehabilitation, adaptive reuse of nonresidential buildings, and the introduction of new housing into appropriate nonresidential settings. Preserve the existing housing stock through maintenance, rehabilitation and flexible regulation.

Execution of this Housing Element and Fair Share Plan and, therewith, promotion of affordable housing development in the Metropolitan Planning Area would be consistent with the intent and aforementioned policy objectives of said planning area.

SDRP Update

It is noted that as of the preparation of this Housing Element and Fair Share Plan, the State of New Jersey was in the process of updating the SDRP. While a draft of an updated SDRP was released for public review and comment in December 2024, its finalization and adoption are not anticipated to occur before late 2025 or early 2026.

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Thus, the 2001 SDRP remained in effect as of the preparation and adoption of this Housing Element and Fair Share Plan.

Notwithstanding the above, it is noted that the draft SDRP incorporates the same planning areas as the 2001 SDRP and associated mapping indicates that the Borough would remain in the Metropolitan Planning Area.

In addition to the above, it is noted that the draft SDRP includes several “State Planning Goals.” One of these goals relates to housing and includes the following core objectives:

- Increase the Construction of Diverse Housing Types and the Amount of Affordable Housing: Promote varied housing options for all income levels, including rentals, starter homes, senior housing, and market-rate units in transit-rich and mixed-income communities.
- Focus on Retaining Residents and Increasing Sustainability: Support inclusionary zoning, green building standards, and Transit-Oriented Development, while reinforcing fair housing practices and preventing the displacement of residents.
- Address Housing Needs of Diverse Demographics: Facilitate multi-generational households, senior housing, and adaptable options to ensure all residents can age in place and access affordable housing.
- Promote Regional Housing Balance: Encourage diverse housing development in areas with strong job markets, educational opportunities, and other amenities which support socio-economic mobility and integrate communities.

Based on its continuation of the same planning areas as outlined in the 2001 SDRP and its promotion of affordable housing, it is concluded that this Housing Element and Fair Share Plan is generally consistent the draft SDRP.

Minimums & Maximums

The FHA2 stipulates certain requirements within N.J.S.A..52:27D-311.k(10)1 which the Closter plan meets. Closter has a zero-unit RDP. The following is noted:

- A maximum of 30% of the affordable housing units, exclusive of any bonus credits, to address its prospective need affordable housing obligation, may be addressed with age restricted housing. The Borough’s Round 4 affordable housing mechanisms do not include any age restricted units.
- A minimum of 50% of the actual affordable housing units, exclusive of bonus credits, created to address its prospective need obligation must be satisfied with the creation of housing available to families with children. The new and revised overlay zones would provide housing available to families.

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- A minimum of 25% of the actual affordable housing units, exclusive of bonus credits, created to address its prospective need obligation, must be satisfied with the creation of rental housing. It is anticipated that the new and revised overlay zones would provide rental housing.

Multigenerational Housing Continuity

In 2021, the New Jersey Senate and General Assembly of the State of New Jersey enacted C.52:27D-329.20, which established the Multigenerational Family Housing Continuity Commission.

The commission's responsibilities include preparing and adopting recommendations on how to best advance the goal of "enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas." The commission members and associated staff shall conduct research, obtaining public input, and adopt recommendations on how to most effectively advance the goal of enhancing multigenerational family housing continuity.

We note that the Borough of Closter's Round 4 Housing Element encourages inclusionary development in the Borough's downtown area and near Homans Ave. and Vervalen Street. The Borough's Senior Center is located on Lewis Ave., which is proximate to Closter's downtown. The Senior Center hosts educational and health related programs. Finally, the Borough's plan includes a variety of housing options. Therefore, the Borough's ordinances advance the goals of preserving multifamily generational continuity.

Conclusion

Closter will provide for its fair share of affordable housing despite having a vacant land deficiency. As shown, the Borough exceeded its Round 3 RDP, and its Round 3 affordable housing zoning has resulted in the production of affordable units. The proposed overlay zone locations are near employment opportunities and retail services. This area is located within Planning Area 1 of the State Plan, which is the location where such growth is encouraged.

All affordable units will conform to necessary rules, legislation and regulations, including but not limited to bedroom distribution and income distribution. At least 13% of all affordable housing units will be available to very low-income households. This plan addresses Closter's affordable housing obligation within the confines of sound planning, and while respecting its built environment and development characteristics.

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Appendices

This report contains the following appendices.

Appendix A: Vacant Land Adjustment Documentation

Appendix B: Draft Affordable Housing Ordinance, containing the Affirmative Marketing requirements & Draft Mandatory Set-Aside Ordinance

Appendix C: Draft Development Fee Ordinance

Appendix D: Resolution Appointing the Municipal Housing Liaison

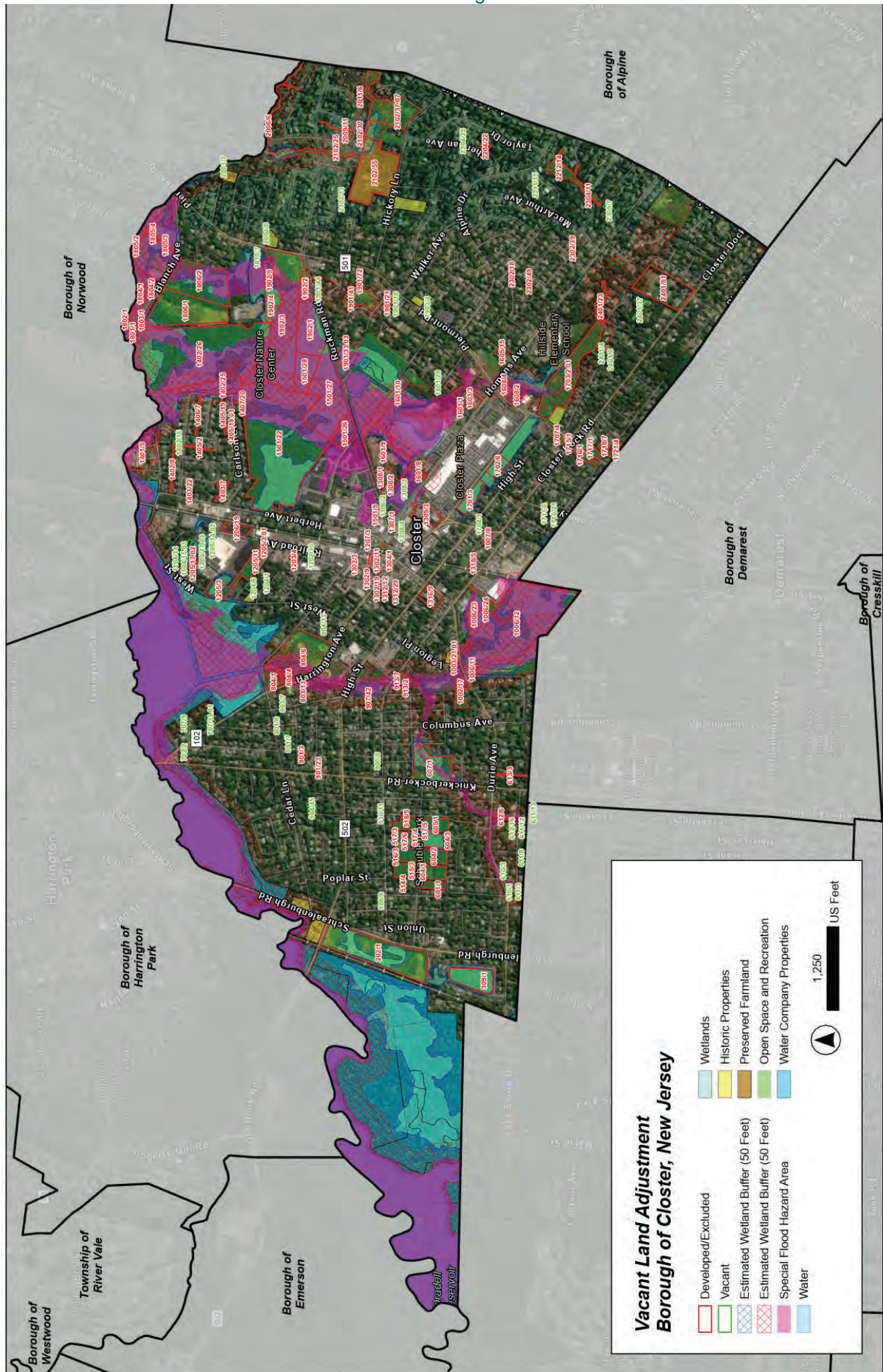
Appendix E: Draft Ordinance & Map

Appendix F: Rehabilitation Resolution

Appendix G: Spending Plan

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Appendix A: Vacant Land Adjustment Documentation

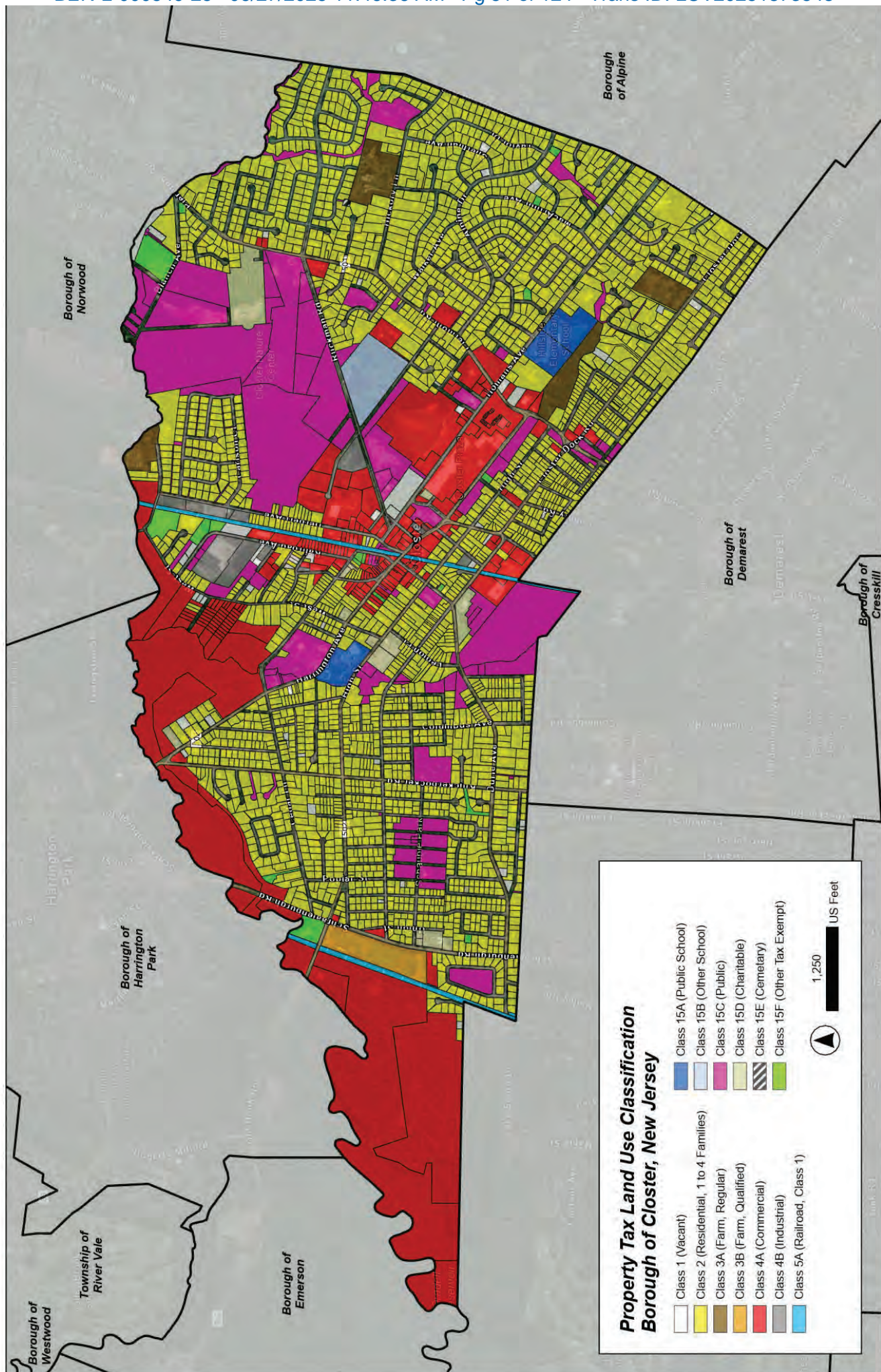


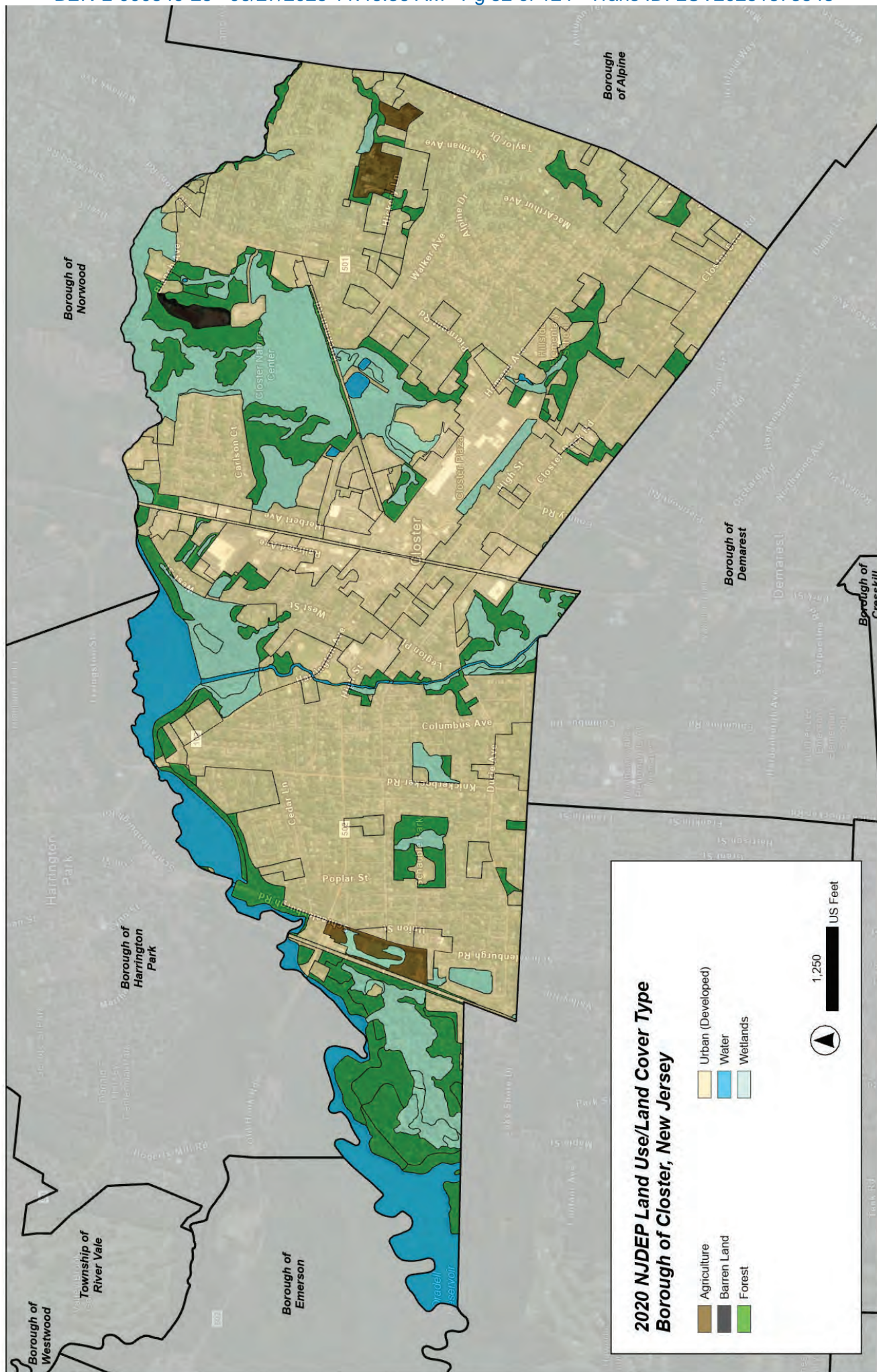
VACANT LAND ADJUSTMENT
Borough of Closter, Bergen County, New Jersey

PAMS_PN	BLOCK	LOT	PROPERTY CLASS	LOCATION	CURRENT OWNER	TOTAL ACRES	TOTAL ENCL-ACRES	WATER	WETLAND	FLOOD HAZARD AREA	WETLAND BUFFER	CI WATER- WAY BUFFER	HSTORIC FARM	PRE- SERVED FARM	OPEN SPACE & RECREATION	COM- MUNIT- Y	UNCON- STANTED	NOTE	THIRD ROUND V/LA NOTES	ADVA- NCY CODE (VACANT SITES)	DENSITY	MAX. WELD OF SITES	RDP	
1716	1716	1	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	0.69	0.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.69	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1717	1717	2	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	0.90	0.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1718	1718	3	Class 15C - Public Property	MAPLE AVE	BOROUGH OF CLOSTER	0.43	0.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.43	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1721	1721	4	Class 15C - Public Property	MAPLE AVE	BOROUGH OF CLOSTER	0.53	0.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.53	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1801	1801	1	Class 15C - Public Property	BLANCH AVE	BOROUGH OF CLOSTER	0.32	0.12	0.00	0.12	0.12	0.00	0.12	0.00	0.00	0.12	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1802	1802	1	Class 15C - Public Property	243 BLANCH AVE	BOROUGH OF CLOSTER	0.51	0.51	0.00	0.51	0.00	0.00	0.00	0.00	0.00	0.51	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1803	1803	1	Class 15C - Public Property	253 BLANCH AVE	BOROUGH OF CLOSTER	0.48	0.48	0.00	0.48	0.00	0.00	0.47	0.00	0.00	0.48	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1804	1804	1	Class 15C - Public Property	BLANCH AVE	BOROUGH OF CLOSTER	2.38	2.38	0.00	2.33	2.28	0.05	2.38	0.00	0.00	2.38	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1805	1805	1	Class 15C - Public Property	BLANCH AVE	BOROUGH OF CLOSTER	2.85	2.85	0.00	2.85	0.00	0.00	2.85	0.00	0.00	2.85	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1806	1806	1	Class 1 - Vacant Land	DUNWASH RD	MCCARTHY JOHN P & JAMES	1.99	1.99	0.00	1.93	1.99	0.06	1.99	0.00	0.00	1.99	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1807	1807	1	Class 15C - Public Property	233 BLANCH AVE	BOROUGH OF CLOSTER	10.59	10.59	0.00	0.38	0.28	0.29	0.00	0.00	0.00	10.59	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
1808	1808	2	Class 15C - Public Property	BLANCH AVE	BOROUGH OF CLOSTER	10.00	10.00	0.00	0.07	2.79	5.83	2.71	0.00	0.00	0.00	10.00	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00
1809	1809	33.03	Class 15C - Public Property	170 RUCKMAN RD	BOROUGH OF CLOSTER	1.20	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1901	1901	41	Class 15C - Public Property	PERMONT RD	WILLOW PARK	2.49	2.49	0.00	0.00	0.00	0.00	2.49	0.00	0.00	2.49	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1902	1902	1	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	1.92	1.92	0.00	6.50	0.81	0.42	1.39	0.00	0.00	1.92	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1903	1903	1	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	1.54	1.54	0.00	6.50	0.81	0.42	1.39	0.00	0.00	1.54	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1904	1904	3	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	20.34	20.34	0.00	14.88	16.76	0.41	20.34	0.00	0.00	20.34	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1905	1905	1	Class 15C - Public Property	PERMONT ROAD REAR	BOROUGH OF CLOSTER	1.36	1.36	0.00	1.33	0.14	0.03	0.29	0.00	0.00	1.36	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1906	1906	4	Class 15C - Public Property	PERMONT ROAD REAR	BOROUGH OF CLOSTER	1.98	1.98	0.00	1.31	1.42	0.57	0.00	0.00	0.00	1.98	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
2002	2002	1	Class 38 - Farm (Qualified)	40 OLD HOOK ROAD	ABRAM DENAIRE HOMESTEAD, INC	2.76	2.76	0.00	0.63	0.00	0.34	2.75	0.00	0.00	2.76	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
2102	37.07	Class 15C - Public Property	189 HOOK ROAD	BOROUGH OF CLOSTER	14.06	14.06	0.00	3.67	0.00	3.33	0.00	14.06	0.00	0.00	14.06	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
2202	2202	1	Class 15C - Public Property	PERMONT RD	BOROUGH OF CLOSTER	7.84	7.84	0.00	0.71	0.00	0.54	4.37	0.00	0.00	7.84	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
2304	2304	1	Class 15C - Public Property	PARSELLS LANE	BOROUGH OF CLOSTER	0.28	0.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.28	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
2401	2401	23	Class 15C - Public Property	07 SHAUGHNESSY LANE	BOROUGH OF CLOSTER	1.15	1.15	0.00	0.00	0.00	0.00	1.15	0.00	0.00	1.15	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
309	309	1	Class 15C - Public Property	10 BETHANY CIRCLE	BOROUGH OF CLOSTER	4.25	4.25	0.00	4.09	0.00	0.16	0.00	0.00	0.00	4.25	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
514	514	4	Class 1 - Vacant Land	DEMANEST AVE	NAH, JAE WONGING & LEE, YOUNG DO	0.17	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.17	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
515	515	3	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.54	1.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.54	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
516	516	3	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.58	1.58	0.00	0.13	0.00	0.11	0.00	0.00	0.00	1.58	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
517	517	15	Class 15C - Public Property	HAWTHORNE TERRACE	BOROUGH OF CLOSTER	0.12	0.12	0.00	0.11	0.00	0.01	0.00	0.00	0.00	0.12	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
517	517	15	Class 15C - Public Property	115 BERGENTINE AVE	BOROUGH OF CLOSTER	0.12	0.12	0.00	0.11	0.00	0.01	0.00	0.00	0.00	0.12	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
517	517	5	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	0.22	0.22	0.00	0.12	0.00	0.00	0.00	0.00	0.00	0.22	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
517	517	5	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	0.64	0.64	0.00	0.43	0.00	0.19	0.00	0.00	0.00	0.64	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
517	517	6	Class 15C - Public Property	65 HAWTHORNE TERR	BOROUGH OF CLOSTER	1.49	1.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.49	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
518	518	5	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	0.95	0.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.95	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
601	601	1	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.83	1.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.83	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
604	604	1	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.91	1.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.91	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
604	604	3	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.29	1.29	0.00	1.49	0.00	0.26	0.00	0.00	0.00	1.29	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
605	605	1	Class 15C - Public Property	BERGENTINE AVE	BOROUGH OF CLOSTER	1.76	1.76	0.00	0.07	0.00	0.32	0.00	0.00	0.00	1.76	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
607	607	1	Class 15C - Public Property	MOLICOME PARK	BOROUGH OF CLOSTER	5.82	5.82	0.00	3.64	1.21	1.07	5.35	0.00	0.00	5.82	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
607	607	1	Class 15C - Public Property	10 CLOSTER DOCK RD	BOROUGH OF CLOSTER	1.00	1.00	0.04	0.00	0.54	0.00	0.96	0.00	0.00	1.00	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
804	804	4	Class 15C - Public Property	181 HARRINGTON AVE	BOROUGH OF CLOSTER	0.52	0.52	0.00	0.00	0.00	0.00	0.43	0.00	0.00	0.52	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
804	804	6	Class 15C - Public Property	181 HARRINGTON AVE	BOROUGH OF CLOSTER	9.23	9.23	0.01	0.00	3.95	0.00	9.21	0.00	0.00	9.23	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
903	903	7	Class 15C - Public Property	295 CLOSTER DOCK RD	BOROUGH OF CLOSTER	0.40	0.40	0.00	0.00	0.34	0.00	0.40	0.00	0.00	0.40	0.00	0.00	EXCLUDED (OPEN SPACE & RECREATION)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
913	913	72	Class 15C - Public Property	11 PARADES LANE	CONNEVELL, LUYELLIN	0.18	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18	0.00	0.18	EXCLUDED (VACANT LOCKED)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1901	1901	72	Class 15C - Public Property	421 DURE AVE	METROPOLITAN PARK LLC F. VASTANO	0.32	0.32	0.00	0.00	0.01	0.00	0.32	0.30	0.00	0.00	0.00	0.00	EXCLUDED HISTORIC SITE ON STATE/NATIONAL REGISTER	NOT INCLUDED IN THIRD ROUND V/LA	-	6	0.00	0.00	
2102	2102	55	Class 3A - Farm (Regulated)	129 HUCKLEY LN	BOROUGH OF CLOSTER	10.78	10.78	0.00	0.57	0.00	0.40	1.68	10.89	10.65	0.00	0.00	0.00	EXCLUDED HISTORIC SITE ON STATE/NATIONAL REGISTER	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1402	1402	8	Class 15C - Public Property	HERBERT AVE	BOROUGH OF CLOSTER	0.25	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.25	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1403	1403	22	Class 15C - Public Property	HERBERT AVE	BOROUGH OF CLOSTER	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.04	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1405	1405	19	Class 15C - Public Property	MEAD DRIVE	BOROUGH OF CLOSTER	0.19	0.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.19	0.00	0.19	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1405	1405	19	Class 15C - Public Property	MEAD DRIVE	BOROUGH OF CLOSTER	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.04	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1405	1405	19	Class 15C - Public Property	MEAD DRIVE	BOROUGH OF CLOSTER	0.15	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.15	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1405	1405	19	Class 15C - Public Property	MEAD DRIVE	BOROUGH OF CLOSTER	0.21	0.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.00	0.21	EXCLUDED (DRAINAGE)	ZERO (0) RDP IN THIRD ROUND V/LA	-	6	0.00	0.00	
1406	1406	7	Class 15C - Public Property	MEAD DRIVE	BOROUGH OF CLOSTER	0.15	0.15	0.00	0.00															

VACANT LAND ADJUSTMENT
Borough of Closter, Bergen County, New Jersey

PAMS_PIN	BLOCK	LOT	PROPERTY CLASS	LOCATION	CURRENT OWNER	TOTAL ACRES	TOTAL ENCLUMBERED ACRES	WATER	WETLAND HAZARD AREA	WETLAND BUFFER	C1 WATERWAY BUFFER	HISTORIC	SERVED FARM	PRE-OPEN SPACE & RECREATION	WATER COMPANY PROP-RTION	UNCON-STRAINED	NOTE	THIRD ROUND VIA NOTES	ADJA-CENCY CODE (VACANT SITES)	DENSITY	MAX. YIELD OF VACANT SITES	RDP
0207_1312_29	1312	29	Class 15C - Public Property	HARRINGTON AVE - REAR	BOROUGH OF CLOSTER	0.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.23 DEVELOPED (PARKING AREA)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1316_9	1316	9	Class 15C - Public Property	511 DURIE AVE	BOROUGH OF CLOSTER	1.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.56 DEVELOPED (MAINTENANCE BUILDING)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1308_1	1308	1	Class 15C - Public Property	100 RUCKMAN ROAD	BOROUGH OF CLOSTER - FIRE HOUSE	1.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.31 DEVELOPED (FIREHOUSE)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1302_2	1302	2	Class 15C - Public Property	77 RUCKMAN ROAD	BOROUGH OF CLOSTER-AMBULANCE	0.94	0.03	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.91 DEVELOPED (BMS STATION)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1207_3	1207	3	Class 1 - Vacant Land	276 HERBERT AVE	IAKRATE, BERNARD M	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15 DEVELOPED (DRIVEWAY ACCESS)	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_1601_9	1601	9	Class 15C - Public Property	130 RUCKMAN ROAD	BOROUGH OF CLOSTER-OPW	7.84	5.45	0.00	0.00	0.00	1.32	0.00	0.00	0.00	0.00	0.00	1.69 DEVELOPED (DPW)	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_1303_3	1303	3	Class 15C - Public Property	295 CLOSTER DOCK RD	BOROUGH OF CLOSTER	2.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.08 DEVELOPED (BROADLIGHT HALL)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1303_1	1303	1	Class 15C - Public Property	295 CLOSTER DOCK RD	BOROUGH OF CLOSTER	0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05 DEVELOPED (BROADLIGHT HALL)	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1205_11	1205	11	Class 1 - Vacant Land	55 WELLINGTON AVE	MIELE, J & G, 19 RAILROAD AVE LLC	0.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.24 DEVELOPED	THIRD ROUND RDP SITE	—	6	0.00	0.00
0207_1205_3.01	1205	3.01	Class 1 - Vacant Land	58 RAILROAD AVE	MIELE, J & G, 19 RAILROAD AVE LLC	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40 DEVELOPED	THIRD ROUND RDP SITE	—	6	0.00	0.00
0207_1302_11	1302	11	Class 15C - Public Property	RAILROAD AVE	BOROUGH OF CLOSTER	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04 DEVELOPED	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1302_19	1302	19	Class 15C - Public Property	CLOSTER DOCK RD	BOROUGH OF CLOSTER	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12 DEVELOPED	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1302_3	1302	3	Class 1 - Vacant Land	NAUGLE ST	HANSEN, DAVID C & ELENA	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06 DEVELOPED	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_1302_9	1302	9	Class 15C - Public Property	RAILROAD AVE	BOROUGH OF CLOSTER	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18 DEVELOPED	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_1312_12	1312	12	Class 15C - Public Property	324 WASHINGTON AVE	THE BOROUGH OF CLOSTER	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18 DEVELOPED	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_1312_13	1312	13	Class 15C - Public Property	111 CLOSTER DOCK RD	THE BOROUGH OF CLOSTER	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18 DEVELOPED	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_1601_1	1601	1	Class 3A - Farm (Regular)	75 BLANCH AVE	LUPARDI REALTY ASSOC LP	5.31	4.00	0.00	0.01	2.41	0.10	4.00	0.00	0.00	0.00	0.00	1.36 DEVELOPED	THIRD ROUND RDP SITE	—	6	0.00	0.00
0207_2004_22	2004	22	Class 1 - Vacant Land	160 CLEVELAND ST	189 HOMANS LLC	0.28	0.16	0.00	0.00	0.05	0.00	0.16	0.00	0.00	0.00	0.00	0.12 DEVELOPED	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_301_3	301	3	Class 1 - Vacant Land	55 SHERMAN AVE	ROCK-SOLID BUILT LLC	0.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.42 DEVELOPED	NOT INCLUDED IN THIRD ROUND VIA	—	6	0.00	0.00
0207_313_2	313	2	Class 1 - Vacant Land	HARVEY ST	SHALVI, LIAM & LLY	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13 DEVELOPED	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
0207_313_2	313	2	Class 1 - Vacant Land	19 BROOK ST.	SOONG, DAVID & YI	0.10	0.10	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00 DEVELOPED	ZERO (0 RDP IN THIRD ROUND VIA)	—	6	0.00	0.00
FOURTH ROUND RDP:																					0.00	





*Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey*

**Appendix B: Draft Affordable Housing Ordinance, &
Draft Mandatory Set-Aside Ordinance**

BOROUGH OF CLOSTER
AFFORDABLE HOUSING ORDINANCE

ORDINANCE # 2025-08

An Ordinance Replacing Chapter 290, Article XID In The Closter Borough Code, Which Will Now Be Entitled Article XID “Affordable Housing Regulations”, And Will Address The Requirements Of The Fair Housing Act And The Uniform Housing Affordability Controls (UHAC) Regarding Compliance With The Borough’s Affordable Housing Obligations

NOW, THEREFORE, be it ordained by the Borough Council of the Borough of Closter, County of Bergen, State of New Jersey, as follows:

Section 1. Chapter 200, Article XID of the Code of the Borough of Closter is hereby deleted and replaced in its entirety to read as follows:

ARTICLE XID: AFFORDABLE HOUSING REGULATIONS

§ 200-54.11. Purpose.

- a. This Section is intended to assure that very-low, low-, and moderate-income units ("affordable units") are created with controls on affordability and that very-low, low-, and moderate-income households shall occupy these units. This Section shall apply except where inconsistent with applicable law.
- b. The Borough of Closter Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. (hereinafter “Fair Share Plan”). The Fair Share Plan was endorsed by the Borough Council. The Fair Share Plan describes how the Borough of Closter shall address its fair share of very-low, low-, and moderate-income housing as documented in the Fair Share Plan.
- c. The Borough of Closter shall track the status of the implementation of the Fair Share Plan.

§ 200-54.12. Monitoring and Reporting Requirements.

- a. The Borough of Closter shall comply with the monitoring and reporting requirements in accordance with the Superior Court-approved Housing Element and Fair Share Plan.

§ 200-54.13. Definitions.

The following terms when used in this Section shall have the meanings given in this Section:

“Act” means the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

“Accessory Apartment” shall mean a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

“Administrative agent” means the entity responsible for administering the affordability controls of this subchapter with respect to specific restricted units, as designated pursuant to N.J.S.A. 52:27D-321 and N.J.A.C. 5:80-26.15.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

“Affordability average” means the average percentage of regional median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

“Affordable” means in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

“Affordable development” means a housing development all or a portion of which consists of restricted units.

“Affordable housing development” means a development included in the Borough’s Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable development.

“Affordable housing program(s)” means any mechanism in the Borough’s Fair Share Plan prepared or implemented to address the Borough’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act, credited pursuant to applicable COAH regulations, the FSHC Settlement Agreement, or an order of the Superior Court.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 through 44), in, but not of, DCA.

“Age-restricted unit” means a housing unit designed to meet the needs of, and intended exclusively for, the residents of an age-restricted segment of the population where the adult member of the family who is the head of the household for the purposes of determining income eligibility and rent is a minimum age of either 62 years, or 55 years and meets the provisions of 42 U.S.C. §§ 3601 through 3619, except that due to death, a surviving spouse of less than 55 years of age is permitted to continue to reside in the unit.

“Alternative living arrangement” means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D, and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

“Assisted living residence” means a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor. Apartment units must offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a very-low-income household, a low-income household or a moderate-income household.

“COAH” means the the Council on Affordable Housing established in, but not of, DCA by the Act and that was abolished effective March 20, 2024 by section 3 of P.L. 2024, c.2 (N.J.S.A. 52:27D-304.1)..

“The Department” means the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

“DCA” and “Department” mean the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, entity, company or corporation that is the legal or beneficial owner or owners of a lot or any land proposed to be included in a proposed development including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

“Dispute Resolution Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 of P.L. 2024, c.2 (N.J.S.A. 52:27D-313.2).

“Division” means the Division of Local Planning Services in DCA.

“Continuum of Care” or “CoC” means one of the 16 local planning bodies in New Jersey that coordinate service providers and other interested parties to prevent and end homelessness, as authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act of 1987, 42 U.S.C. §§ 11431 through 11435.

“County-level housing judge” means a judge appointed pursuant to section 5 of P.L. 2024, c.2 (N.J.S.A. 52:27D-313.2), to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal fair share plans and housing elements with the Act.

“Household income” means a household’s gross annual income calculated in a manner consistent with the determination of annual income pursuant to section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for Federal income tax liability.

“Housing region” means a geographic area established pursuant to N.J.S.A. 52:27D- 304.2b.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a non-residential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

“Low-income household” means a household with a household income equal to 50 percent or less of the regional median household income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building, which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median-income” means the median income by household size for the applicable county, as adopted annually by the Department.

“Moderate-income household” means a household with a income in excess of 50 percent but less than 80 percent of the regional median household income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“Municipal Housing Liaison” or “MHL” means an appointed municipal employee who is, pursuant to N.J.A.C. 5:99-6, responsible for oversight and/or administration of the affordable units created within the municipality.

“New Jersey Housing Resource Center” or “Housing Resource Center” means the online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

“Non-exempt sale” means any sale or transfer of ownership of a restricted unit to one’s self or to another individual other than the transfer of ownership between spouses or civil union partners; the transfer of ownership between former spouses or civil union partners ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary and the transfer of ownership by court order.

“Nonprofit” means an organization granted nonprofit status in accordance with section 501(c)(3) of the Internal Revenue Code.

“Price differential” means the difference between the controlled sale price of a restricted unit and the fair market value of the unit minus reasonable real estate broker fees, determined as of the date of a proposed contract of sale for the unit.

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit or another purpose allowed pursuant to N.J.A.C. 5:80-26.17(k)3.

“Regional median income” means the median income by household size for an applicable housing region, as calculated annually in accordance with N.J.A.C. 5:80-26.3.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. With respect to an assisted living residence, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as may be amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

“UHAC” means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

“Very-low-income household” means a household with a total gross annual household income equal to 30 percent or less of the regional median household income.

“Very-low-income unit” means a restricted unit that is affordable to a very low-income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

§ 200-54.14. Applicability.

- a. The provisions of this Section shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Borough of Closter pursuant to the Borough's most recently adopted Housing Element and Fair Share Plan.
- b. This Section shall apply to all developments that contain very-low, low-and moderate-income housing units, including any currently unanticipated future developments that will provide very low-, low- and moderate-income housing units.

§ 200-54.15. Rehabilitation Programs.

- a. The Borough of Closter has present need Rehabilitation Obligation of 16 units. The Borough will work with Bergen County and/or hire a separate entity to rehabilitate units in the Borough to address the Borough’s Rehabilitation Obligation. Any such rehabilitation programs will update and renovate deficient housing units occupied by low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28.
 1. All rehabilitated rental and owner-occupied units shall remain affordable to low and moderate-income households for a period of ten (10) years (the control period). For owner-occupied units, the control period will be enforced with a lien and for renter-occupied units the control period will be enforced with a deed restriction.
 2. The Borough of Closter shall dedicate an average of at least twenty-four thousand dollars (\$24,000) for each unit to be rehabilitated through this program, reflecting the minimum hard cost of rehabilitation for each unit.
 3. Units in the rehabilitation programs shall be exempt from N.J.A.C. 5:93-9 and UHAC requirements, but shall be administered in accordance with the following:
 - (a) If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate-income household at an affordable rent and affirmatively marketed pursuant to N.J.A.C. 5:93-9 and UHAC.
 - (b) If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to N.J.A.C. 5:93-9 and UHAC.

- (c) Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:93-9 or the standards issued by a New Jersey administrative agency with proper authority to issue such standards.
- (d) Applicant and/or tenant households shall be certified as income-eligible in accordance with N.J.A.C. 5:93-9 and UHAC, except that households in owner occupied units shall be exempt from the regional asset limit.

§ 200-54.16. Alternative Living Arrangements

- a. The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:
 - 1) Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
 - 2) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).
- b. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.
- c. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

§ 200-54.17. Phasing Schedule for Inclusionary Developments.

For all inclusionary developments, the following phasing schedule shall be followed:

Maximum Percentage of Market-Rate Units Completed	Minimum Percentage of Low- and Moderate-Income Units Completed
25	0
25+1	10
50	50
75	75
90	100

§ 200-54.18. New Construction.

- a. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:

- 1) The fair share obligation shall be divided equally between low and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit. At least thirteen percent (13%) of all restricted rental units within each bedroom distribution shall be very-low-income units (affordable to a household earning thirty percent (30%) or less of regional median income by household size). The very-low-income units shall be counted as part of the required number of low-income units within the development. At least fifty percent (50%) of the very-low-income units must be available to families.
- 2) At least twenty-five percent (25%) of the obligation shall be met through rental units, including at least half in rental units available to families.
- 3) A maximum of twenty-five percent (25%) of the Borough's obligation may be met with age restricted units. At least half of all affordable units in the Borough's plan shall be available to families.
- 4) In each affordable development, at least fifty percent (50%) of the restricted units within each bedroom distribution shall be very-low or low-income units including that thirteen percent (13%) shall be very-low income.
- 5) Affordable developments that are not age-restricted or supportive housing shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one (1) bedroom units shall be no greater than twenty percent (20%) of the total low and moderate-income units;
 - (b) At least thirty percent (30%) of all low and moderate-income units shall be two (2) bedroom units;
 - (c) At least twenty percent (20%) of all low and moderate-income units shall be three (3) bedroom units; and
 - (d) The remaining units may be allocated among two (2) and three (3) bedroom units at the discretion of the developer and the Borough.
- 6) Affordable developments that are age-restricted or supportive housing shall be structured such that the number of bedrooms shall equal the number of age-restricted low and moderate-income units within the inclusionary development. This standard may be met by having all one (1) bedroom units or by having a two (2) bedroom unit for each efficiency unit.

b. Accessibility Requirements:

- 1) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Sub Code, N.J.A.C. 5:23-7.

- 2) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one (1) other dwelling unit shall have the following features:
 - a. An adaptable toilet and bathing facility on the first floor; and
 - b. An adaptable kitchen on the first floor; and
 - c. An interior accessible route of travel on the first floor; and
 - d. An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - e. If all of the foregoing requirements in paragraphs 2)(a) through 2)(d) above cannot be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of paragraphs 2)(a) through 2)(d) above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and
 - f. An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a, et seq.) and the Barrier Free SubCode, N.J.A.C. 5:23-7, or evidence that Closter has collected funds from the developer sufficient to make ten percent (10%) of the adaptable entrances in the development accessible:
 - (1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - (2) To this end, the builder of restricted units shall deposit funds into the Borough of Closter's Affordable Housing Trust Fund sufficient to install accessible entrances in ten percent (10%) of the affordable units that have been constructed with adaptable entrances.
 - (3) The funds deposited under Paragraph (f) above shall be used by the Borough of Closter for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
 - (4) The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Borough of Closter for the conversion of adaptable to accessible entrances.
 - (5) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free SubCode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is

reasonable, payment shall be made to the Borough's Affordable Housing Trust Fund in care of the Borough Chief Financial Officer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

- g. Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.

c. Design:

1) For any 100-percent affordable development comprising one or more restricted units:

- a. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the applicable municipal code or the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4, whichever is greater;
- b. Each bedroom in each restricted unit must have at least one window; and
- c. Restricted units must include adequate air conditioning and heating;

2) For developments comprising market-rate rental units and restricted rental units:

- a. Restricted units must use the same building standards (for example, plumbing, insulation, siding) as market-rate units of the same unit type (for example, flat, townhome) within the same development, except that restricted units and market-rate units may use different interior finishes;
- b. Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations;
- c. Restricted units may not be physically clustered so as to segregate restricted and market-rate units within the same development or within the same building, but must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clustering facilitates the provision of on-site medical services or on-site social services;
- d. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits;

- e. Restricted units must include adequate air conditioning and heating and, if market-rate units provide cooling and heating, restricted units must use the same type of cooling and heating sources as market-rate units of the same unit type;
 - f. Each bedroom in each restricted unit must have at least one window;
 - g. Restricted units must be of the same unit type (for example, flat, townhome) as market-rate units within the same building; and
 - h. Restricted units must be of at least the same size as the most common market-rate unit(s) of the same type and bedroom count within the same development, but under no circumstances shall any restricted unit or bedroom be less than 90 percent of the minimum size prescribed by the applicable municipal code or Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4, whichever prescribes the greater minimum size;
3. For developments containing for-sale units, including those with a mix of rental and for-sale units, subsection (c)2 above shall govern the rental units, while for-sale units shall adhere to the following:
- a. Restricted units must use the same building standards as market-rate units of the same unit type (for example, flat, townhome, single-family home), except that restricted units and market-rate units may use different interior finishes;
 - b. Restricted units may be clustered, provided that the buildings or housing product types containing the restricted units are integrated throughout the development and are not concentrated in an undesirable location or in undesirable locations;
 - c. Restricted units may be of different housing product types than market-rate units, provided that developments containing market-rate townhomes or single-family homes offer restricted housing options that also include townhomes or single-family homes;
 - d. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the applicable municipal code or the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4, whichever provides the greater minimum square footages;
 - e. Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s);
 - f. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and

recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits;

g. Each bedroom in each restricted unit must have at least one window; and

h. Restricted units must include adequate air conditioning and heating.

d. Maximum Rents and Sales Prices:

- 1) In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC.
- 2) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than sixty percent (60%) of median income, and the average rent for restricted rental units shall be affordable to households earning no more than fifty-two percent (52%) of median income.
- 3) The developers and/or municipal sponsors of restricted rental units shall establish at least one (1) rent for each bedroom type for both low-income and moderate-income units, provided that at least thirteen percent (13%) of all low and moderate-income rental units shall be affordable to very-low-income households, earning thirty percent (30%) or less of the regional median household income, which very-low-income units shall be part of the low-income requirement.
- 4) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than seventy percent (70%) of median income, and each affordable development must achieve an affordability average of fifty-five percent (55%) for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three (3) different sales prices for each bedroom type, and low-income ownership units must be available for at least two (2) different sales prices for each bedroom type.
- 5) In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:
 - (a) A studio shall be affordable to a one (1) person household;
 - (b) A one (1) bedroom unit shall be affordable to a one and one-half (1.5) person household;
 - (c) A two (2) bedroom unit shall be affordable to a three (3) person household;
 - (d) A three (3) bedroom unit shall be affordable to a four and one-half (4.5) person household; and

- (e) A four (4) bedroom unit shall be affordable to a six (6) person household.
- 6) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:
 - (a) A studio shall be affordable to a one (1) person household;
 - (b) A one (1) bedroom unit shall be affordable to a one and one-half (1.5) person household; and
 - (c) A two (2) bedroom unit shall be affordable to a two (2) person household or to two (2) one (1) person households.
 - 7) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to ninety-five percent (95%) of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed twenty-eight percent (28%) of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.5 as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
 - 8) The initial rent for a restricted rental unit shall be calculated so as not to exceed thirty percent (30%) of the eligible monthly income of the appropriate size household, including an allowance for tenant-paid utilities, as determined under N.J.A.C. 5:80-26.5, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
 - 9) Income limits for all units that are part of the Borough's Housing Element and Fair Share Plan, and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1, shall be updated by the Borough annually within thirty (30) days of the publication of determinations of median income by HUD as follows:
 - (a) The income limit for a moderate-income unit for a household of four shall be eighty percent (80%) of the HUD determination of the median income for Housing Region 4 for a family of four. The income limit for a low-income unit for a household of four shall be fifty percent (50%) of the HUD determination of the median income for Housing Region 1 for a family of four. The income limit for a very low-income unit for a household of four shall be thirty percent (30%) of the HUD determination of the median income for Housing Region 1 for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median

income by household size. In no event shall the income limits be less than the previous year.

- (b) Regional income limits are based on regional median income, which is established by a regional weighted average of the “median family incomes” published by HUD. The procedure for computing the regional median income is:
 - 1. For each county in the housing region, multiply HUD’s determination of the county’s “median family income” for a family of four by the Decennial Census’s estimated number of households within the county;
 - 2. Add the resulting products for each county within the housing region, then divide the sum by the summed total estimated number of households in the housing region. Round the resulting quotient up to the nearest multiple of 100 to obtain the regional median income for a household of four; and
 - 3. To compute the regional median income for other household sizes, multiply the regional weighted average by the percentage adjustment factors used by HUD in the Section 8 program, then round each percentage-adjusted regional weighted average up to the nearest multiple of 100.
- (c) To calculate the regional income limits, multiply the relevant percentage by the regional median income for the relevant household size. For example, the regional income limit for a four-person low-income household is equal to 50 percent of the regional median income for a four-person household, while the regional income limit for a one-person very-low-income household is equal to 30 percent of the regional median income for a one-person household.
- (d) Updated regional income limits are effective as of the effective date of the regional Section 8 income limits for the year, as published by HUD, or 45 days after HUD publishes the regional Section 8 income limits for the year, whichever comes later. The new income limits may not be less than those of the previous year.

§ 200-54.19. Utilities.

- a. Affordable units shall utilize the same type of heating source as market units within an inclusionary development.
- b. Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by the NJDCA for its Section 8 program.

§ 200-54.20. Occupancy Standards.

In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:

- a. Ensure each bedroom is occupied by at least one person, except for age-restricted units;
- b. Provide a bedroom for every two adult occupants;
- c. Provide a bedroom for every occupant under the age of 18, unless the household requests a different arrangement, which arrangement may not result in more than two occupants under the age of 18 occupying any bedroom; and
- d. Avoid placing a one-person household into a unit with more than one bedroom.

§ 200-54.21. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- a. Control periods for restricted ownership units must be in accordance with N.J.A.C. 5:80-26.6, as may be amended and supplemented. Each restricted rental unit must remain subject to the requirements of this subchapter until the end of the control period specified in the unit deed restriction, unless the unit's restriction is extinguished in compliance with (e) below or extended in compliance with (f) below. A restricted rental unit must remain subject to the requirements of this subchapter for a period of at least 40 years; provided, however, that the control period of any unit that, prior to December 20, the effective date of the amendments to this subchapter as promulgated pursuant to P.L. 2024, c.2 (N.J.S.A. 52:27D-304.1), received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction, or became subject to a grant agreement or other contract with either the State or a political subdivision thereof will be governed by such grant of substantive certification, judgment, grant agreement, or contract.
 - 1. Rental units created on or after January 1, 2025, and which are subject to affordability controls for low- and/or moderate-income families pursuant to this subchapter are subject to a deed restriction of not less than 40 years.
 - 2. Any project composed entirely of rental units subject to the affordability controls of this section that does not participate in a State-administered preservation program may elect to extinguish the existing deed restriction beginning 30 years following the start of the deed restriction, regardless of original length, provided that the project enters into a new deed restriction of at least 30 years and that the project has applied for and obtained a refinancing and/or has commenced an approved rehabilitation for the purpose of preservation.
 - 3. Any project composed entirely of rental units subject to the affordability controls of this section that participates in a State-administered preservation program may elect to extinguish the existing deed restriction prior to the 30th year, regardless of original length, provided that the project enters into a new deed restriction that, in combination with the original deed restriction, totals at least 60 years.

- b. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- c. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
- d. At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Section, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
- e. The affordability controls set forth in this Section shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- f. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.6(a), as may be amended and supplemented.

§ 200-54.22. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:

- a. The initial purchase price for a restricted ownership unit shall be approved by the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer.
- b. The Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- c. The master deeds and Declarations of Covenants and Restrictions for of inclusionary developments may not distinguish between the restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market purchasers. Condominium or homeowner association fees and special assessments charged to affordable units shall be based on the common interest percentage and the full build-out budget. Affordable units in a condominium or homeowner association subject to a municipal

ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.

- d. The owners of restricted ownership units may apply to the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§ 200-54.23. Buyer Income Eligibility.

- a. Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that very-low-income ownership units are reserved for households with a household income less than or equal to 30 percent of regional median income, low-income ownership units are reserved for households with a household income less than or equal to fifty percent (50%) of regional median income, and moderate-income ownership units are reserved for households with a gross household income less than eighty percent (80%) of regional median income.
- b. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a very-low-income household, a low-income household, or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed thirty-five percent (35%) of the household's eligible monthly income.

§ 200-54.24. Limitations on Indebtedness Secured by Ownership Units; Subordination.

- a. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, shall issue such determination prior to the owner incurring such indebtedness.
- b. With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed ninety-five percent (95%) of the maximum allowable resale price of the unit, as such price is determined by the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, in accordance with N.J.A.C. 5:80-26.7(c).

§ 200-54.25. Capital Improvements To Ownership Units.

- a. The owner of a restricted ownership unit may apply to the Borough's Administrative Agent to increase the maximum sales price for the unit to reflect eligible capital improvements made

since the purchase of the unit. Eligible capital improvements are limited to those that render the unit suitable for a larger household or that add an additional bathroom. However, the maximum sale price of an improved housing unit may not exceed the limits of affordability for the larger household.

- b. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) are included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to ten (10) year, straight-line depreciation, has been approved by the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer. Unless otherwise approved by the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

§ 200-54.26. Control Periods for Restricted Rental Units.

- (a) Each restricted rental unit must remain subject to the requirements of this subchapter until the end of the control period specified in the unit deed restriction, unless the unit's restriction is extinguished in compliance with (d) below or extended in compliance with (e) below. A restricted rental unit must remain subject to the requirements of this subchapter for a period of at least 40 years; provided, however, that the control period of any unit that, prior to December 20, 2024, the effective date of the amendments to this N.J.A.C. 5:80-26.1 et seq, as promulgated pursuant to P.L. 2024, c.2 (N.J.S.A. 52:27D-304.1), received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction, or became subject to a grant agreement or other contract with either the State or a political subdivision thereof will be governed by such grant of substantive certification, judgment, grant agreement, or contract.
 1. Rental units created on or after January 1, 2025, and which are subject to affordability controls for low- and/or moderate-income families pursuant to this subchapter are subject to a deed restriction of not less than 40 years.
 2. Any project composed entirely of rental units subject to the affordability controls of this section that does not participate in a State-administered preservation program may elect to extinguish the existing deed restriction beginning 30 years following the start of the deed restriction, regardless of original length, provided that the project enters into a new deed restriction of at least 30 years and that the project has applied for and obtained a

refinancing and/or has commenced an approved rehabilitation for the purpose of preservation.

3. Any project composed entirely of rental units subject to the affordability controls of this section that participates in a State-administered preservation program may elect to extinguish the existing deed restriction prior to the 30th year, regardless of original length, provided that the project enters into a new deed restriction that, in combination with the original deed restriction, totals at least 60 years.
- b. Deeds of all real property that include restricted rental units must contain deed restriction language that conforms with the requirements of N.J.A.C. 5:80-26.1, which governs the terms of deed restrictions regardless of the language ultimately utilized in the recorded deed restriction document. No terms, whether intentional or unintentional, that circumvent the requirements of N.J.A.C. 5:80-26.1 may be enforced. All deed restrictions must be read in accordance with the requirements of N.J.A.C. 5:80-26.1. Any terms that directly conflict with the requirements of N.J.A.C. 5:80-26.1 are of no legal effect, are contrary to the public policy of the State, and may be stricken only by an application to the Dispute Resolution Program or a county-level housing judge. Deed restrictions are severable, such that invalidation of any provision due to inconsistency with these regulations will not terminate the deed restriction, but, rather, the deed restriction will be read to include the provision of these regulations with which the original language was inconsistent. The deed restriction has priority over all mortgages on the property. The developer or seller shall file the deed restriction with the records office of the County of Bergen. The deed shall also identify each affordable unit by apartment number and/or address whether that unit is designated as a very-low, low- or moderate-income unit. Neither the unit nor its affordability designation shall change throughout the term of the deed restriction. A copy of the filed document shall be provided to the Borough's Administrative Agent within thirty (30) days of the receipt of a Certificate of Occupancy. Under no circumstances may a developer or seller be excused from any requirements of these regulations because of a failure to record the deed restriction. If a development is sold by a developer prior to recording the deed restrictions, the buyer is not excused from adhering to the requirements of this subchapter and any recourse shall be to recover from the seller rather than seeking to extinguish any affordability controls of the development.
- c. A restricted rental unit shall remain subject to the affordability controls described in this Section despite the occurrence of any of the following events:
 - 1) Sublease or assignment of the lease of the unit;
 - 2) Sale or other voluntary transfer of the ownership of the unit; or
 - 3) The entry and enforcement of any judgment of foreclosure or grant of a deed in lieu of foreclosure on the property containing the unit.
 - 4) The release from affordability restrictions at the end of the affordability control period, until occupancy by the first new tenant subsequent to the release of controls.

- d. Restricted rental units will be released from affordability restrictions at the end of the affordability control period, subject to the limitations in (b) above, unless the municipality exercises the right of first refusal to extend the affordability control period for the restricted rental units. To exercise the right of first refusal, the municipality must:
- 1) No later than 180 days prior to the end of the affordability control period, elect to extend the affordability control period pursuant to a municipal ordinance authorizing such elections;
 - 2) Issue a new deed restriction extending the control period for not less than 30 years or, if the original control period and extended control period, in combination, total at least 60 years, then not less than 20 years;
 - 3) If permitted by the relevant statute, grant or extend an agreement for payment in lieu of taxes pursuant to the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., or pursuant to N.J.S.A. 55:14K-37(b); and
 - 4) To support the preservation, contribute:
 - i) At least \$12,000 per restricted unit from the municipal affordable housing trust fund, if an agreement for payment in lieu of taxes has been granted or extended; or
 - ii) At least \$17,500 per restricted unit from the municipal affordable housing trust fund, if no agreement for payment in lieu of taxes has been granted or extended; or
 - iii) Any other assistance not less than the equivalent of \$10,000 per restricted unit, if the assistance was approved pursuant to N.J.S.A. 52:27D-329.2(4) as part of the municipality's compliance certification or by DCA, and if the assistance is consistent with the municipality's housing element and fair share plan.

§ 200-54.27. Rent Restrictions for Rental Units; Leases.

- a. The administrative agent shall set the initial rent for a restricted rental unit. If the unit is receiving assistance pursuant to the AHTF, the initial rent must be consistent with the AHTF grant agreement. The initial rent must be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate household size as determined pursuant to N.J.A.C. 5:80-26.5; provided, however, that the rent is subject to the affordability average requirement at N.J.A.C. 5:80-26.4.
- b. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." The maximum allowable rent increase for the year will be effective as of the same date as the regional median income limits determined pursuant to N.J.A.C. 5:80-26.3. This rent increase may not exceed five percent in any one

year and notice thereof must be filed with the administrative agent. If the landlord has charged a tenant less than the initial maximum allowable rent for a restricted unit, the landlord may, with the approval of the administrative agent, use the maximum allowable rent instead of the current rent in performing this multiplication to establish the rent for the next tenant under a new lease. LIHTC units are not governed by the provisions of this subsection, but rather by the provisions of the State's Qualified Allocation Plan, N.J.A.C. 5:80-33.1 through 33.40.

- c. Approved initial rents are fixed as of the start of the property's initial lease-up. Municipal Housing Liaison-adopted increases may not be implemented during lease-up. Each new, separately-financed phase of a project may seek MHL approval to use the then-effective initial rents, provided that the lease-up of the phase will occur at least 12 months after the prior phase was placed in service. Rents may not be increased more than once a year or by more than one MHL-approved increment at one time. Rents may not be increased at the time of a new occupancy if the new occupancy occurs within one year of the last occupancy and prior to the next published MHL-approved increase. No additional fees, operating costs, or charges may be added to the approved rent (except in the case of units in assisted living residences, for the customary charges for food and services) without the express written approval of the administrative agent. Operating costs for the purposes of this section include certificate of occupancy fees, move-in fees, move-out fees, and on-site parking or parking deck fees. Any fee structure that would remove or limit affordable renters' access to any amenities or services that are required or included for market-rate renters is prohibited. Application fees (including the charge for any credit check) may not exceed five percent of the monthly rent of the applicable restricted unit and are payable to the administrative agent to be applied to the costs of administering the controls in this subchapter as applicable to the unit. Fees for truly optional, unit-specific, non-communal items that are charged to market-rate tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may be charged to affordable tenants, if applicable. Pet fees may not exceed \$30 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited. Fees for other optional, unit-specific, non-communal items may not exceed the amounts charged to market-rate tenants.
- d. A written lease shall be required for all restricted rental units, except for units in assisted living residences. Final lease agreements are the responsibility of the landlord and the prospective tenant. Tenants are responsible for security deposits and the full amount of the rent as stated on the lease. All lease provisions [must comply with applicable law. The landlord shall provide the administrative agent with sufficient information for preparation of a unit inventory form for entry into the centralized affordable housing unit inventory system. A copy of the current lease for each restricted rental unit shall be provided to the Borough's Administrative Agent, or an Administrative Agent appointed by a particular developer.
- e. No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least fifteen percent (15%) of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

§ 200-54.28. Tenant Income Eligibility.

- a. Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.14, as may be amended and supplemented, and shall be determined as follows:
 - 1) Very-low-income rental units are reserved for households with a gross household income less than or equal to thirty percent (30%) of the regional median household income by household size.
 - 2) Low-income rental units are reserved for households with a gross household income less than or equal to fifty percent (50%) of the regional median household income by household size.
 - 3) Moderate-income rental units are reserved for households with a gross household income less than eighty percent (80%) of the regional median household income by household size.
- b. The Borough's Administrative Agent, or a qualified Administrative Agent appointed by a particular developer, shall certify a household as eligible for a restricted rental unit when the household is a very-low-income household, a low-income household, or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed thirty-five percent (35%) (forty percent (40%) for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - 1) The household currently pays more than thirty-five percent (35%) (forty percent (40%) for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - 2) The household has consistently paid more than thirty-five percent (35%) (forty percent (40%) for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - 3) The household is currently in substandard or overcrowded living conditions;
 - 4) The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - 5) The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- c. The applicant shall file documentation sufficient to establish the existence of any of the circumstances in b.1) through b.5) above with the Borough's Administrative Agent, or an

Administrative Agent appointed by a particular developer, who shall counsel the household on budgeting.

§ 200-54.29. Municipal Housing Liaison.

- a. The position of Municipal Housing Liaison (MHL) for the Borough of Closter pursuant to N.J.A.C. 5:99-6. The Borough shall make the actual appointment of the MHL by means of a resolution.
 - 1) The MHL must be either a full-time or part-time employee of Closter.
 - 2) The person appointed as the MHL must be reported to the Superior Court and thereafter posted on the Borough's website.
 - 3) The MHL must meet all the requirements for qualifications, including initial and periodic training, if such training is made available by the Division.
 - 4) The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Borough of Closter, including the following responsibilities which may not be contracted out to the Administrative Agent, or the Administrative Agent appointed by a specific developer:
 - (a) Serving as the municipality's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
 - (b) The implementation of the Affirmative Marketing Plan and affordability controls;
 - (c) When applicable, supervising any contracting Administrative Agent;
 - (d) Monitoring the status of all restricted units in the Borough's Fair Share Plan;
 - (e) Compiling, verifying and submitting annual reports as required;
 - (f) Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and
 - (g) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Affordable Housing Professionals of New Jersey (AHPNJ), if such continuing education opportunities are made available by COAH or the DCA.
- b. Subject to the approval of the Superior Court, the Borough of Closter shall designate one (1) or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Borough in accordance with UHAC and this Section.

§ 200-54.30. Administrative Agent.

An Administrative Agent may be either an independent entity serving under contract to and reporting to the Borough, or reporting to a specific individual developer. *The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required.* The Borough Administrative Agent shall monitor and work with any individual Administrative Agents appointed by individual developers. The administrative agent shall also fulfill the responsibilities [of the administrative agent are the following:] identified at N.J.A.C. 5:99-7.2. Pursuant to N.J.A.C. 5:99, the administrative agent shall have the authority to discharge and release any or all instruments, as set forth at the appendices of this subchapter, filed of record to establish affordability controls.

§ 200-54.31. Affirmative Marketing Requirements.

- a. The Borough of Closter shall adopt by resolution an Affirmative Marketing Plan that is compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
- b. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward COAH Housing Region 1 and is required to be followed throughout the period of restriction.
- c. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 1, comprised of Bergen, Hudson, Passaic and Sussex. Subordinate to the regional preference, a preference for very-low-, low-, and moderate-income households that reside or work in New Jersey;
- d. The Borough has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and re-sales and re-rentals. The Borough's Administrative Agent designated by the Borough of Closter, or any Administrative Agent appointed by a specific developer, shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.
- e. In implementing the Affirmative Marketing Plan, the Borough's Administrative Agent, or any Administrative Agent appointed by a specific developer, shall provide a list of counseling services to very-low, low, and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- f. The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the

Borough's Administrative Agent, or any Administrative Agent appointed by a specific developer, shall consider the use of language translations where appropriate.

- g. The affirmative marketing process for available affordable units shall begin at least one hundred and twenty days (120) prior to the expected date of occupancy.
- h. Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; and the municipal building in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
- i. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

§ 200-54.32. Enforcement of Affordable Housing Regulations.

- a. By accepting State funds for affordable housing purposes, or by seeking or receiving a compliance certification, a municipality shall be deemed to have delegated to its administrative agent the day-to-day responsibility for implementing practices and procedures designed to ensure effective compliance with the controls set forth in this subchapter. However, the municipality, through the Municipal Housing Liaison designated and approved pursuant to N.J.A.C. 5:99, shall retain the ultimate responsibility for ensuring effective compliance with this subchapter. Upon the occurrence of a breach of any of the regulations governing an affordable unit by an Owner, Developer, or Tenant, the Borough shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- b. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the Borough may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of sixty (60) days after service of the written notice:
 - 1) The Borough may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged by the Superior Court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one (1) or more of the following penalties, at the discretion of the Court:
 - (a) A fine of not more than two thousand dollars (\$2,000.00) per day or imprisonment for a period not to exceed ninety (90) days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

- (b) In the case of an Owner who has rented a very-low, low or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Borough of Closter Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an Owner who has rented a very-low, low or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
- 2) The Borough may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low or moderate-income unit.
- (a) The judgment shall be enforceable, at the option of the Borough, by means of an execution sale by the Sheriff, at which time the low and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the Borough, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.
 - (b) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the Borough for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the Borough in full as aforesaid, the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the Borough in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the Borough for the Owner and shall be held in such escrow for a maximum period of two (2) years or until such earlier time as the Owner shall make a claim with the Borough for such. Failure of the Owner to claim such balance within the two (2) year period shall automatically result in a forfeiture of such balance to the Borough. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the Borough, whether such balance shall be paid to the Owner or forfeited to the Borough.
 - (c) Foreclosure by the Borough due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the very-low, low and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom

title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.

- (d) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the Borough may acquire title to the very-low, low and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the very-low, low and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

Failure of the very-low, low and moderate-income unit to be either sold at the Sheriff's sale or acquired by the Borough shall obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the Borough, with such offer to purchase being equal to the maximum resale price of the very-low, low and moderate-income unit as permitted by the regulations governing affordable housing units.

- (f) The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

3) The owner of a development containing affordable rental units subject to this subchapter or the assigned management company thereof shall:

- (a) Send to all current tenants in all restricted rental units an annual mailing containing a notice as to the maximum permitted rent, together with the telephone number, mailing address, and email address of the administrative agent to whom complaints of excess rent can be issued; and
- (b) Promptly provide to the administrative agent, upon the latter of either final municipal land use approval or issuance of a grant contract by a governmental authority, as well as upon receipt of the certificate of occupancy:
- (c) The total number of units in the project and the number of affordable units, broken down by bedroom count, identifying which are very-low-income, low-income, and moderate-income units, and including street addresses of affordable units;
- (d) Floor plans of all affordable units, including complete and accurate identification of all rooms and the dimensions thereof;

- (e) A project map identifying the location of affordable units and market-rate units;
 - (f) A list of project principals or partners, together with a list of all other affordable projects in which they have been involved over the previous five years;
 - (g) A projected construction schedule;
 - (h) Proposed pricing for all units, including any purchaser options and add-on items;
 - (i) A list of all public funding sources and copies of grant or loan agreements for those sources;
 - (j) Condominium or homeowner association fees and any other applicable fees;
 - (k) Estimated real property taxes for for-sale units;
 - (l) Sewer, water, trash disposal, and any other utility assessments;
 - (m) Flood insurance requirement, if applicable;
 - (n) A description of all HVAC systems;
 - (o) The location of any common areas and elevators;
 - (p) A proposed form of lease for any rental units;
 - (q) The name of the person who will be responsible for official contact with the administrative agent for the duration of the project, which must be updated if the contact changes; and
 - (r) The State-approved Planned Real Estate Development public offering statement and/or master deed, where applicable.
4. It is the responsibility of the Municipal Housing Liaison and the administrative agent(s) to ensure that affordable housing units are administered properly. All affordable units must be occupied within a reasonable amount of time and be re-leased within a reasonable amount of time upon the vacating of the unit by a tenant. If an administrative agent or Municipal Housing Liaison becomes aware of or suspects that a developer or landlord has not complied with these regulations, it shall report this activity to the Division. If a developer or landlord or property manager has been found to have intentionally violated any terms of these regulations, including by keeping a unit vacant, the developer or property manager shall be fined up to the amount required to construct a comparable affordable unit of the same size and the deed restriction period will be extended for the

length of the time the unit was out of compliance, in addition to the remedies provided for in this section. For the purposes of this subsection, a reasonable amount of time shall presumptively be 60 days, unless a longer period of time is required due to demonstrable market conditions and/or failure of the Municipal Housing Liaison or the administrative agent to refer a certified tenant.

§ 200-54.33. Household certification and referral

(a) The administrative agent shall secure all information from applicant households necessary and appropriate to determine that restricted units are occupied by properly sized households of low- or moderate-income. No household may be referred to a restricted unit or receive a commitment with respect to a restricted unit unless that household has received a signed and dated certification and has executed a certificate in the form set forth at Appendix J or K within N.J.A.C. 5:80-26.1 et al..

(b) The administrative agent shall prepare a standard form of certification and shall sign and date one such certification for each household when certified. An initial certification is valid for no more than 180 days unless a valid contract for sale or lease has been executed within that time period. In such event, the certification is valid until such time as the contract for sale or lease is ruled invalid and no occupancy has occurred. Certifications may be renewed in writing at the request of a certified household for an additional period of 180 days at the discretion of the administrative agent. The administrative agent must provide applicant households a minimum of 10 business days from the date of initial request for information to produce documentation necessary for certification. The administrative agent shall transmit notice to each applicant household as to whether certification has been granted or denied, including the reason(s) for denying certification, if any, no later than five business days after determining the household's eligibility.

1. When reviewing an applicant household's income to determine eligibility, the administrative agent shall compare the applicant household's annual income to the regional low- and moderate-income limits calculated pursuant to N.J.A.C. 5:80-26.3. For the purposes of this subchapter, the administrative agent shall determine household income in accordance with the procedure for calculating annual income at the time of initial occupancy and assistance, stipulated at 24 CFR § 5.609, as it may be updated from time to time, and described in Chapter 5 of HUD Handbook 4350.3: Occupancy Requirements of Subsidized Multifamily Housing Programs, which is available at https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh/4350.3..

2. Household income is calculated by projecting current gross income over a 12- month period.

3. The administrative agent shall deny the certificate of eligibility if the applicant household meets income eligibility requirements but possesses net household assets valued at an amount greater than the net asset limit, defined as the estimated median home equity held by

New Jersey homeowners as determined annually by the United States Census Bureau's Survey of Income and Program Participation and published by the Census Bureau in "State- Level Wealth, Asset Ownership & Debt of Households Tables" in the "Wealth and Asset Ownership Data Tables" series, available at <https://www.census.gov/topics/income-poverty/wealth/data/tables.html>. Administrative agents shall determine household net assets in accordance with the procedure for calculating "net family assets" stipulated at 24 CFR § 5.603(b), as it may be updated from time to time. The estimated net value of an applicant's primary residence shall be excluded from the calculation of net total assets if any of the following apply:

- i. The applicant's existing monthly housing costs (including principal, interest, taxes, homeowner and private mortgage insurance, and condominium or homeowner association fees, as applicable) exceed 38 percent of the household's eligible monthly income;
- ii. The applicant is receiving assistance for the residence pursuant to 24 CFR § 982.620 or pursuant to the Homeownership Option at 24 CFR § 982;
- iii. The applicant jointly owns the residence with an owner-occupant who is not part of the applicant household and with whom the applicant does not reside;
- iv. The residence is a restricted ownership unit subject to the requirements of this subchapter or a unit that, prior to December 20, 2004, received substantive certification from COAH, was part of a judgment of compliance from a court of competent jurisdiction, or became subject to a grant agreement or other contract with either the State or a political subdivision thereof, including any 95/5 unit;
- v. Any member of the applicant household is a victim of domestic violence, dating violence, sexual assault, or stalking, as defined at 24 CFR § 5.2003; or
- vi. The applicant demonstrates that the residence is not suitable for occupancy, according to any of the criteria listed at 24 CFR § 5.618(a)(2)(i) through (v).

(c) The administrative agent shall require each member of an applicant household who is 18 years of age or older, except full-time students under the age of 26 and those under the age of 26 participating in a registered apprenticeship program, to provide documentation to verify the member's income, including income received by adults on behalf of minor children for their benefit. Household members 18 years of age or older who do not receive income or who qualify for the full-time student or apprenticeship exemption must produce documentation as to their current status.

(d) Income verification documentation may include, but is not limited to, the acceptable forms of verification identified at Appendix 3 of HUD Handbook 4350.3 REV-1, available online at <https://www.hud.gov/sites/documents/4350a3HSGH.PDF>, for each and every member of a household who is 18 years of age or older, except full-time students under the age of 26 and those under the age of 26 in a registered apprenticeship program.

(e) Court ordered payments for alimony or child support to another household, whether or not it is being paid regularly, shall be excluded from income for purposes of determining income eligibility.

(f) The administrative agent may deem ineligible an applicant who is unable to demonstrate sufficient present assets for down payment or security deposit purposes, subject to development phasing that may provide an opportunity for future savings.

(g) The administrative agent may deem ineligible an applicant who is unable to verify funds claimed as assets, household composition, or other facts represented in the application.

(h) The administrative agent shall deny a certificate of eligibility to an applicant who makes any willful or material misstatement of fact in seeking eligibility.

(i) The administrative agent shall screen households that apply for low- and moderate-income housing for preliminary income eligibility by comparing their total gross annual income to the regional low- and moderate-income limits calculated for that year. In lieu of calculating household income, the administrative agent, at their discretion, may accept a household income determination made within the previous 12 months to assess eligibility for the Temporary Assistance for Needy Families (TANF) block grant, Medicaid, the Supplemental Nutrition Assistance Program (SNAP) benefit, the Earned Income Tax Credit (EITC), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Supplemental Security Income, public housing, Section 8, or low-income housing tax credits (LIHTC). Additionally, the administrative agent shall accept household income determinations made within the previous 180 days by another administrative agent or by the Department or the Agency.

(j) The administrative agent shall accept self-certification from any member of an applicant household claiming to be a victim of domestic violence, dating violence, sexual assault, or stalking for purposes of the exception to the homeownership restriction. In such case, the administrative agent must comply with the confidentiality requirements and restrictions on requesting documentation pursuant to 24 CFR § 5.2007.

(k) The administrative agent shall employ a random selection process when referring households to affordable units. With approval from the Division, supportive housing units may be exempted from the random selection process. The administrative agent may elect to conduct the random selection prior to or after households are certified for eligibility.

1. If conducting the random selection prior to household certification, the administrative agent shall select households from the entire applicant pool, without regard for income, household size, or other distinguishing factors.

2. If conducting the random selection following household certification, the administrative agent shall notify all applicants of their eligibility or ineligibility in advance of the random selection and may conduct either one random selection from the entire applicant pool or separate random selections from each subgroup of the applicant pool. Each eligible household will be assigned to an applicable subgroup(s) as follows:

- i. Whether the household is seeking for-sale units, rental units, or both;
- ii. The number of bedrooms the household qualifies for;
- iii. The household income level;
- iv. The unit type applicable to the household (that is, family, age-restricted, or supportive);
- v. Whether the household is seeking an accessible unit
- vi. For supportive housing applicants only, whether any member of the household belongs to the eligible population; and
- vii. Any of the occupancy preferences allowed pursuant to (k)³ below.

3. A municipality may elect to adopt any or all of the four occupancy preferences at i, ii, iii, and iv below. If it does so, the municipality shall adopt its desired occupancy preference(s) prior to the usage of the occupancy preference(s) in any random selection process. All other occupancy preferences, including preferences for residents of the municipality, are prohibited:

i. A preference of up to 50 percent of the restricted units in a particular project for very-low-, low-, and moderate-income veterans who served in time of war or other emergency, pursuant to N.J.S.A. 52:27D-311(j);

ii. A preference for very-low-, low-, and moderate-income households that reside or work in the housing region;

iii. Subordinate to the regional preference, a preference for very-low-, low-, and moderate-income households that reside or work in New Jersey; and

iv. With respect to existing restricted units undergoing approved rehabilitation for the purpose of preservation or to restricted units newly created to replace existing restricted units undergoing demolition, a preference for the very-low-, low-, and moderate-income households that are displaced by the rehabilitation or demolition and replacement.

(i) Developers and property management entities shall not discriminate against any person as prohibited by Federal Fair Housing laws or by the New Jersey law Against Discrimination, N.J.S.A. 10:5-1 through 5-50. Administrative agents and Municipal Housing Liaisons shall report property managers to the Division, which shall refer such matters to the Office of the Attorney General if they receive any complaints that developers or property managers are discriminating against applicants or residents.

(j) In certifying and referring households, the administrative agent shall comply with all provisions of the Fair Chance in Housing Act, N.J.S.A. 46:8-52 through 64.

(k) Upon being referred to an available unit, an applicant must be provided with a minimum of five business days to accept or reject the administrative agent's offer.

§ 200-54.34. Option to Buy 95/5 units

(a) Each 95/5 unit is subject to an option permitting purchase of the unit at the maximum allowable restricted sale price at the time of the first authorized non-exempt sale after controls on affordability have been in effect on the unit for the period specified at N.J.A.C. 5:80-26.6. The option to buy is available to the municipality in which the unit is located, DCA, the Agency, and approved nonprofit entities.

(b) The owner of a 95/5 unit shall notify the administrative agent and Municipal Housing Liaison by certified mail and by email of any intent to sell the unit 90 days prior to entering into an agreement for the first authorized non-exempt sale after controls have been in effect on the housing unit for the period specified at N.J.A.C. 5:80-26.6.

(c) Upon receipt of a notice specified at (b) above, the option to buy the unit at the maximum allowable restricted sale price or any mutually agreed upon sale price that does not exceed the maximum allowable restricted sale price will be available for 90 days. The administrative agent shall notify the Municipal Housing Liaison and the Division that the unit is for sale. The municipality shall have the right of first refusal to purchase the unit. If the municipality exercises

this option, it may enter into a contract of sale for the unit. If the municipality does not exercise this option within 90 days, the first of the other entities giving notice to the seller of its intent to purchase during the 90-day period may purchase the unit. If the option to purchase the unit at the maximum allowable restricted sale price is not exercised by one of the above entities by a written offer to purchase the housing unit within 90 days of receipt of notice of the intent to sell, the owner may proceed to sell the housing unit pursuant to N.J.A.C. 5:80-26.25. If the owner does not sell the unit within one year of the date of the delivery of the notice of intent to sell, the option to buy the unit will be restored and the owner will be required to submit a new notice of intent to sell 90 days prior to any future proposed date of sale.

(d) Any option to buy a housing unit at the maximum allowable restricted sale price must be exercised by certified mail and by email and will be deemed to have been exercised upon transmission of the email.

(e) Any municipality that elects to purchase a 95/5 unit may:

1. Convey or rent the unit to a low- or moderate-income purchaser or tenant at a price or rent not to exceed the maximum allowable restricted sale price or rent, provided the unit is controlled by a deed restriction; or

2. Convey the unit at fair market value.

(f) Municipalities that purchase low-income 95/5 units shall maintain such units as low-income housing units.

(g) Municipalities that purchase 95/5 units and convey them at a fair market value shall:

1. Notify the Division and the Dispute Resolution Program of any proposed sale and sale price at least 90 days before closing;

2. Notify the Division and the Dispute Resolution Program of the price differential; and

3. Deposit the price differential in an interest-bearing housing trust fund devoted solely to the creation, rehabilitation, or maintenance of low- and moderate-income housing.

(h) Money deposited in housing trust funds may not be expended until the municipality submits and the Division or the Dispute Resolution Program approves a spending plan in accordance with the applicable rules in effect at the time of the proposed expenditure. Money deposited in housing trust funds is subject to the applicable Division rules in effect at the time of deposit.

(i) Failure of a unit owner to comply with the notice requirements does not affect the rights and remedies available to the municipality, the Division, or the Agency nor does the failure of the municipality, the Division, or the Agency to take any affirmative action with respect to such failure of a unit owner operate as a waiver of any such rights and remedies.

(j) Nonprofit entities may apply the Municipal Housing Liaison at any time for the right to purchase 95/5 units subsequent to the period of controls on affordability, provided the unit remains controlled by a deed restriction approved as part of the compliance certification.

(k) Nonprofit entities that have been designated by the Division are eligible to purchase low- or moderate-income units for the sole purpose of conveying or renting the housing unit to a low- or moderate- income purchaser or tenant at a price or rent not to exceed the allowable restricted sale price or rental amount. Low-income units must be made available to low-income purchasers or tenants and the housing unit must be regulated by the deed restriction and lien approved as part of the compliance certification. The terms of the controls on affordability are the same as those required at N.J.A.C. 5:80-26.6

(l) An eligible seller of a 95/5 unit that has been controlled for the period established at N.J.A.C. 5:80-26.6 who has provided the requisite notice of an intent to sell, may proceed with the sale if no eligible entity exercises its option to purchase within 90 days.

(m) Subject to N.J.A.C. 5:80-26.1 et seq., the seller may:

1. Sell to a certified household at a price not to exceed the maximum permitted sale price in accordance with existing rules, provided that the unit is regulated by the deed restriction and lien approved as part of a compliance certification, for a period of at least 30 years; or

2. Exercise the repayment option and sell to any purchaser at market price, provided that 95 percent of the price differential is paid to the administrative agent, as an instrumentality of the municipality, at closing.

(n) If the sale will be to a qualified low- or moderate-income household, the administrative agent shall certify the income qualifications of the purchaser and shall ensure that the housing unit is regulated by the deed restriction and lien required as part of a compliance certification.

(o) The administrative agent shall examine any contract of sale containing a repayment option to determine if the proposed sale price bears a reasonable relationship to the housing unit's fair market value. In making this determination, the administrative agent may rely on comparable sales data or an appraisal. The administrative agent shall not approve any

contract of sale where there is a determination that the sale price does not bear a reasonable relationship to fair market value. The administrative agent shall make such a determination within 20 days of receipt of the contract of sale and shall calculate the repayment option payment.

(p) The administrative agent shall adopt an appeal procedure by which a seller may submit written documentation requesting the administrative agent to recompute the repayment obligation if the seller believes an error has been made, or to reconsider a determination that a sale price does not bear a reasonable relationship to fair market value. A repayment obligation determination made as a result of an owner's appeal is a final determination of the administrative agent appealable pursuant to N.J.A.C. 5:80-26.20.

(q) The repayment will occur at the date of closing and transfer of title for the first non-exempt transaction after the expiration of controls on affordability.

(r) The administrative agent shall deposit all repayment proceeds in a housing trust fund, which funds may be used as specified at N.J.S.A. 52:27D-329.2. Money deposited in housing trust funds may not be expended until the municipality submits and the Division or the Dispute Resolution Program approves a spending plan. See N.J.S.A. 52:27D-329.2.

(s) A municipality has the right to determine that the most desirable means of promoting an adequate supply of low- and moderate-income housing is to prohibit the exercise of the repayment option and maintain controls on lower-income housing units sold within the municipality beyond the period required at N.J.A.C. 5:80-26.6. Such determination must be made by resolution of the municipal governing body and will be effective upon filing with the Dispute Resolution Program. The resolution must specify the time period for which the repayment option is not applicable. During such period, no seller in the municipality may utilize the repayment option permitted at N.J.A.C. 5:80-26.25. Municipalities that exercise this option above shall:

1. Provide public notice in a newspaper of general circulation;
2. Notify the administrative agent and the Division of its governing body's action;
3. Extend the control period not less than 30 years or, if the original control period and extended control period, in combination, total at least 60 years, not less than 20 years; and

4. Take at least one of the following actions:

- i. Purchase the affordable units; or
 - ii. Contribute at least \$10,000.00 per unit from the municipal affordable housing trust fund to support the preservation of the units.
- (t) The administrative agent shall ensure that the deed restriction on all affected housing units reflects the extended period of controls.
- (u) The deed restriction governing 95/5 housing units must allow municipalities, DCA, the Agency, nonprofit entities, and sellers of low- and moderate-income units to again exercise all the same options as provided in this subchapter when a housing unit has been maintained as a low- or moderate-income unit after affordability controls have been in effect for the period specified at N.J.A.C. 5:80-26.6.

§ 200-54.35. Appeals.

Appeals from all decisions of an administrative agent appointed pursuant to this subchapter must be filed in writing with the Municipal Housing Liaison for the jurisdiction. A decision by the Municipal Housing Liaison may be appealed to the Division. A written decision of the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

Section 2. Chapter 43, Article VI (Municipal Housing Liaison) of the Code of the Borough of Closter is hereby deleted in its entirety.

Section 3. If any article, section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance and they shall remain in full force and effect.

Section 4. In the event of any inconsistencies between the provisions of this Ordinance and any prior ordinance of the Borough of Closter, the provisions hereof shall be determined to govern. All other parts, portions and provisions of the Revised General Ordinances of the Borough of Closter are hereby ratified and confirmed, except where inconsistent with the terms hereof.

Section 5. The Borough Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this ordinance to the Bergen County Planning Board and to all other persons entitled thereto pursuant to N.J.S.A. 40:55D-15, and N.J.S.A. 40:55D-63 (if required).

Section 6. After introduction, the Borough Clerk is hereby directed to submit a copy of the within Ordinance to the Planning Board of the Borough of Closter for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64.

Section 7. This Ordinance shall take effect immediately upon (1) adoption; (2) publication in accordance with the laws of the State of New Jersey; and (3) filing of the final form of adopted ordinance by the Clerk with (a) the Bergen County Planning Board pursuant to N.J.S.A. 40:55D-16, and (b) the Borough Tax Assessor as required by N.J.S.A. 40:49-2.1.

**BOROUGH OF CLOSTER
ORDINANCE #**

**AN ORDINANCE AMENDING AND SUPPLEMENTING THE CODE OF
THE BOROUGH OF CLOSTER TO AMEND CHAPTER 200, ZONING,
ARTICLE XID, AFFORDABLE HOUSING
MANDATORY AFFORDABLE HOUSING SET-ASIDE**

WHEREAS, the Borough of Closter has determined that it is in the best interest of the Borough that an amendment is necessary to Chapter 290, Zoning.

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Closter as follows:

Section 1. Chapter 200, Zoning, Article XID, Affordable Housing, is hereby amended and supplemented, as follows:

[NEW SECTION]

200-54.36. Mandatory Affordable Housing Set Aside

- A. All residential development, including the residential portion of a mixed-use project, which consists of five or more new residential units, whether permitted by a zoning amendment, a use variance granted by the Zoning Board, or adoption of a redevelopment plan or amended redevelopment plan in areas in need of redevelopment or rehabilitation, shall require that an appropriate percentage of the residential units be set aside for very-low, low- and moderate-income households.
- B. This section shall not apply to residential expansions, additions, renovations, replacement or any other type of residential development that does not result in a net increase in the number of dwellings of five or more.
- C. For inclusionary projects regardless if they are for-sale or rental, the affordable housing set-aside percentage shall be twenty percent (20%).
- D. The developer shall provide that one-half (½) of the affordable units constructed be reserved for low-income households and that the remaining one-half (½) be reserved for moderate-income households. At least 13% of all restricted units shall be very-low-income units (affordable to a household earning 30% or less of median income). The very-low-income units shall be counted as part of the required number of low-income units within the development.
- E. A property shall not be permitted to be subdivided so as to avoid meeting

this requirement. The Board may impose any reasonable conditions to ensure such compliance.

- F. This section does not create any entitlement for a property owner or applicant for a zoning amendment, variance or adoption of redevelopment plan or amended redevelopment plan in area of need of redevelopment or rehabilitation or for approval of any particular proposed project.
- G. In the event that the inclusionary set-aside percentage (20%) of the total number of residential units does not result in a full integer, the developer shall round the set-aside upward to construct a whole additional affordable unit.
- H. This section does not apply to any sites or specific zones otherwise identified in the Housing Element and Fair Share Plan, for which density and set-aside standards shall be governed by the specific standards set forth therein.

Section 2. If any section, paragraph, sub-section, clause or provision of this ordinance shall be declared invalid by a court of competent jurisdiction, such decision shall not affect the validity of this ordinance as a whole or any part thereof.

Section 3. All ordinances or parts of ordinances of the Borough heretofore adopted that are inconsistent with any of the terms and provisions of this ordinance are hereby repealed to the extent of such inconsistency.

Section 4. This Ordinance shall take effect immediately upon passage and publication as required by law.

Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey

Appendix C: Draft Development Fee Ordinance

Ordinance No.
Development Fee Ordinance
Borough of Closter, Bergen County

**AN ORDINANCE AMENDING CHAPTER A301 FEES
 DEVELOPMENT FEES OF THE CODE OF THE
 BOROUGH OF CLOSTER TO PROVIDE FOR THE COLLECTION OF
 DEVELOPMENT FEES IN SUPPORT OF AFFORDABLE HOUSING AS
 PERMITTED BY THE NEW JERSEY FAIR HOUSING ACT**

WHEREAS, In Holmdel Builders Association v. Holmdel Borough, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:2 d-301, *et seq.*, and the State Constitution, subject to the adoption of rules by the Council on Affordable Housing (COAH) and

WHEREAS, pursuant to P.L. 2008, c. 4, Section 8 (C. 52:2 D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.), COAH was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans

BE IT ORDAINED by the Mayor and Council of the Borough of Closter, Bergen County, New Jersey, that the Code of the Borough of Closter is hereby amended to include the following provisions regulating the collection and disposition of mandatory development fees to be used in connection with the Borough's affordable housing programs, as directed by the Superior Court and consistent with N.J.A.C. 5:93-1, *et seq.*, as amended and supplemented, N.J.A.C. 5:80-2 .1, *et seq.*, as amended and supplemented, and the New Jersey Fair Housing Act of 1985, as follows:

Section 1. Chapter A301-1(E)()-(12) is hereby amended and supplemented in its entirety, as follows:

A301-1(E)(). Purpose

- (a). This Ordinance establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 4, Sections 8 and 32-38 (C. 52:2 D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

- (b). The Borough of Closter shall not spend development fees until the Court has approved a plan for spending such fees (Spending Plan).

A301-1(E)(). Definitions

The following terms, as used in this Ordinance, shall have the following meanings:

Affordable housing development means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

COAH or the Council means the New Jersey Council on Affordable Housing established under the Fair Housing Act.

Development fee means money paid by a developer for the improvement of property as authorized by Holmdel Builders Association v. Holmdel Borough, 121 N. J. 550 (1990) and the Fair Housing Act of 1985, N. J.S.A. 52:2 d-301, *et seq.*, and regulated by applicable COAH rules.

Developer means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

Equalized assessed value means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P. L. 1993, c.123 (C.54:1-35a through C.54:1-35c).

Green building strategies means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

A301-1(E)(8). Residential Development Fees

(a). Imposition of Fees

- 1) Within the Borough of Closter, all residential developers, except for developers of the types of developments specifically exempted below and developers of developments that include affordable housing, shall pay a fee of one and a half percent (1.5%) of the equalized assessed value for all new residential development provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure in such cases,

the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.

- 2) When an increase in residential density is permitted pursuant to a variance granted under N. S.A. 40:55D- 0d(5), developers shall be required to pay a bonus development fee of six percent (%) percent of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

(b). Eligible Exactions, Ineligible Exactions and Exemptions for Residential Developments.

- 1) Affordable housing developments and or developments where the developer has made a payment in lieu of on-site construction of affordable units, if permitted by Ordinance or by Agreement with the Borough of Closter, shall be exempt from the payment of development fees.
- 2) Developments that have received preliminary or final site plan approval prior to the adoption of this Ordinance and any preceding Ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where site plan approval is not applicable, the issuance of a Zoning Permit and or Construction Permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the Development Fee Ordinance in effect on the date that the Construction Permit is issued.
- 3) Any repair, reconstruction, structural alterations or improvement of a structure.
- 4) Nonprofit organizations constructing residential projects which have received tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code, providing current evidence of that status is submitted to the Municipal Clerk, together with a certification that services of the organization are provided at reduced rates to those who establish an inability to pay existing charges, shall be exempted from paying a development fee.

- 5) Federal, state, county and local governments shall be exempted from paying a development fee.
-) Homes replaced as a result of a natural disaster, fire or flood shall be exempt from the payment of a development fee. (This exemption applies only for the owner of record at the time of the fire, flood, or natural disaster.)

A301-1(E)(9). Non- residential Development Fees.

(a). Imposition of Fees

- 1) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- 2) Within all zoning districts, non-residential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- 3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure, i.e. land and improvements, and such calculation shall be made at the time a final Certificate of Occupancy is issued. If the calculation required under this Section results in a negative number, the non-residential development fee shall be zero.

(b). Eligible Exactions, Ineligible Exactions and Exemptions for Non-residential Development

- 1) The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to a two and a half percent (2.5%) development fee, unless otherwise exempted below.
- 2) The two and a half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.

- 3) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non- residential Development Fee Act (N. J.S.A. 40:55D-8.1 through 8.), as specified in Form N- DF State of New ersey Non- esidential Development Certification Exemption . Any exemption claimed by a developer shall be substantiated by that developer.
- 4) A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non- esidential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final Certificate of Occupancy for the non-residential development, whichever is later.
- 5) If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this Section within 45 days of the termination of the property tax exemption. npaid non-residential development fees under these circumstances may be enforceable by the Borough of Closter as a lien against the real property of the owner.
-) Federal, state, county and local governments constructing nonresidential housing shall be exempted from paying a development fee.

A301-1(E)(10). Collection Procedures.

- (a). pon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a Construction Permit.
- (b). For non-residential developments only, the developer shall also be provided with a copy of Form N- DF State of New ersey Non- esidential Development Certification Exemption to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N- DF as per the instructions provided. The Construction Official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N- DF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N- DF.
- (c). The Construction Official responsible for the issuance of a Construction Permit shall notify the Borough Tax Assessor of the issuance of the first Construction Permit for a development which is subject to a development fee.

- (d). Within 90 days of receipt of such notification, the Borough Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.
- (e). The Construction Official responsible for the issuance of a final Certificate of Occupancy shall notify the Borough Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.
- (f). Within 10 business days of a request for the scheduling of a final inspection, the Borough Tax Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development calculate the development fee and thereafter notify the developer of the amount of the fee.
- (g). Should the Borough of Closter fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of Section 3 of P. . 2008, c.4 (C.40:55D-8.).
- (h). Except as provided in Section 5.A.3) hereinabove, fifty percent (50%) of the initially calculated development fee shall be collected at the time of issuance of the Construction Permit. The remaining portion shall be collected at the time of issuance of the Certificate of Occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the Construction Permit and that determined at the time of issuance of the Certificate of Occupancy.
- (i). Appeal of Development Fees
 - 1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by the Borough of Closter. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S. 54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - 2) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by the Borough of Closter. Appeals from a determination of the Director may be made to the tax court in

accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.54:48-1, *et seq.*, within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

A301-1(E)(11). Affordable Housing Trust Fund.

- (a). There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of the Borough of Closter for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- (b). The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - 1) Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by Ordinance or by Agreement with the Borough of Closter
 - 2) Funds contributed by developers to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible
 - 3) Rental income from municipally operated units
 - 4) Repayments from affordable housing program loans
 - 5) Recapture funds
 -) Proceeds from the sale of affordable units and
 -) Any other funds collected in connection with Closter's affordable housing program.
- (c). In the event of a failure by the Borough of Closter to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 55 (Law Div. 2015) (aff'd 442 N.J. Super. 53) or the expenditure of funds on activities not approved by the Court or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (DLGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all

such funds shall, to the extent practicable, be utilized for affordable housing programs within the Borough of Closter, or, if not practicable, then within the County or the Housing region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize GS to direct the expenditure of funds in the Trust Fund or impose such other remedies as may be reasonable and appropriate to the circumstances.

- (d). Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

A301-1(E)(12). Use of Funds

- (a). The expenditure of all funds shall conform to a Spending Plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the Court to address the Borough of Closter's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls housing rehabilitation new construction of affordable housing units and related costs accessory apartments a market to affordable program regional Housing Partnership programs conversion of existing non-residential buildings to create new affordable units green building strategies designed to be cost saving and in accordance with accepted national or State standards purchase of land for affordable housing improvement of land to be used for affordable housing extensions or improvements of roads and infrastructure to affordable housing sites financial assistance designed to increase affordability administration necessary for implementation of the Housing Element and Fair Share Plan and or any other activity permitted by the Court and specified in the approved Spending Plan.
- (b). Funds shall not be expended to reimburse the Borough of Closter for past housing activities.
- (c). At least 30 percent of all development fees collected and interest earned on such fees shall be used to provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to very low-income households earning 30 percent or less of the regional median household income by household size for Housing region 1, in which Closter is located.

- 1) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
 - 2) Affordability assistance to households earning 30 percent or less of the regional median household income by household size may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the Spending Plan.
 - 3) Payments in lieu of constructing affordable housing units on site, if permitted by Ordinance or by Agreement with the Borough of Closter, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- (d). The Borough of Closter may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.
- (e). No more than 20 percent of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants fees necessary to develop or implement a new construction program, prepare a Housing Element and Fair Share Plan, and or administer an affirmative marketing program or a rehabilitation program.
- 1) In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20 percent of collected development fees that may be expended on administration.
 - 2) Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the Court s monitoring requirements. legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

A301-1(E)(13). Monitoring.

The Borough of Closter shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Borough), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Borough owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Closter's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

A301-1(E)(14). Ongoing Collection of Fees.

- (a). The ability for the Borough of Closter to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its judgment of Compliance unless the Borough of Closter has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan.
- (b). If the Borough of Closter fails to renew its ability to impose and collect development fees prior to the expiration of its judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to Section 20 of P. L. 1985, c. 222 (C. 52:2 D-320).
- (c). The Borough of Closter shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of Compliance, nor shall the Borough of Closter retroactively impose a development fee on such a development. The Borough of Closter also shall not expend any of its collected development fees after the expiration of its judgment of Compliance.

Section 2. All other provisions of Chapter A301-1 not amended hereto are herein ratified and confirmed.

Section 3. If any section, paragraph, sub-section, clause or provision of this ordinance shall be declared invalid by a court of competent jurisdiction, such decision shall not affect the validity of this ordinance as a whole or any part thereof.

Section 4. All ordinances or parts of ordinances of the Borough heretofore adopted that are inconsistent with any of the terms and provisions of this ordinance are hereby repealed to the extent of such inconsistency.

Section 5. This Ordinance shall take effect immediately after final passage and publication as required by law.

Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey

Appendix D: Municipal Housing Liaison Resolution

BOROUGH OF CLOSTER
RESOLUTION #24-248
OCTOBER 23, 2024

APPOINTING A MUNICIPAL HOUSING LIAISON
JAMES WINTERS

WHEREAS, pursuant to P.L. 2024, c.2, the Borough of Closter is required to appoint a Municipal Housing Liaison for the oversight of administration of the Borough of Closter's Affordable Housing Program to enforce the requirements of the law and N.J.C.A. 5:80-26.1 et. seq.; and

WHEREAS, the Borough of Closter has amended Chapter 200 entitled "Zoning" to provide for the appointment of a Municipal Housing Liaison to administer the Borough of Closter's Affordable Housing Program.

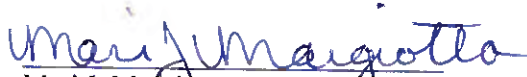
NOW THEREFORE BE IT RESOLVED, by the Governing Body of the Borough of Closter in the County of Bergen, and the State of New Jersey that James Winters, is hereby appointed by the Governing Body of the Borough of Closter as the Municipal Housing Liaison for the administration of the Affordable Housing Program, pursuant to and in accordance with Section §200-54.29 Municipal Housing Liaison of the Borough of Closter's General Code.

Councilperson	Motion	Second	Yes	No	Absent	Abstain
Councilwoman Amitai			✓			
Councilman Cho			✓			
Council President Chung			✓			
Councilwoman Latner	✓		✓			
Councilwoman Maroules		✓	✓			
Councilman Yammarino			✓			

Adopted: October 23, 2024


ATTEST:

APPROVED BY:


 Mari J. Margiotta, Borough Clerk


 John C. Glidden, Jr., Mayor

Certified to be a true copy of Resolution adopted by the Mayor and Council of the Borough of Closter at the Regular Meeting held on October 23, 2024.


 Mari J. Margiotta, Borough Clerk

Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey

Appendix E: Draft Inclusionary Zone Ordinance & Map

**BOROUGH OF CLOSTER
ORDINANCE #**

**AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 200 OF THE
BOROUGH OF CLOSTER TO IMPLEMENT THE HOUSING ELEMENT AND FAIR
SHARE PLAN**

WHEREAS, the New Jersey Constitution and the Fair Housing Act, N. J.S.A. 52:2 D-301 et seq. require that each municipality in the State of New Jersey exercise the zoning power delegated by the Municipal Land Use Law, N. J.S.A. 40:55D-1 et seq., in a manner that provides a realistic opportunity for the development of the municipality's fair share of the regional need for low and moderate cost housing and

WHEREAS, the Superior Court of New Jersey entered an Order on May 5, 2025 that fixed the Borough of Closter's Present and Prospective Need for the Fourth Round at 1 units and 241 units, respectively and

WHEREAS, the Borough of Closter obtained a vacant land adjustment by Order entered on July 18, 2018 in connection with its Third Round affordable housing compliance plan, as it had done in prior rounds and

WHEREAS, the Borough of Closter continues to lack sufficient land necessary for the development of its Prospective Need and

WHEREAS, on account of the absence of sufficient vacant land to accommodate its Prospective Need during the Fourth Round, the Borough of Closter will continue to rely on the vacant land adjustments previously obtained

WHEREAS, in accordance with the provisions of the Fair Housing Act, the Borough of Closter is obligated to identify parcels likely to redevelop where at least 25% of its adjusted obligation may develop and

WHEREAS, the Borough is obligated to rezone parcels for redevelopment where at least 1 affordable units may be constructed and

WHEREAS, the Borough Planner has prepared a Housing Element and Fair Share Plan in accordance with the provisions of the Fair Housing Act and Municipal Land Use Law and

WHEREAS, the Borough of Closter Planning Board has adopted said Housing Element and Fair Share Plan at a public meeting held on June 2, 2025 and

WHEREAS, the Housing Element and Fair Share Plan recommends that the Borough implement overlay zoning at specified densities on properties developed with non-residential uses to accommodate at least 25% of the obligation that has been adjusted due to lack of sufficient vacant land and

WHEREAS, the Borough of Closter deems it necessary and appropriate to adopt a zoning regulation that rezones those parcels identified in the Housing Element and Fair Share Plan to provide a realistic opportunity for the development of its fair share of the regional need for low and moderate cost housing.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Closter, Bergen County and State of New Jersey as follows:

Section 1.

Chapter 200-2 of the Zoning Code of the Borough of Closter is hereby amended as follows:

District 3A (All properties presently located in the Business District No. 3, from the western border of the Business district, to the west side of both Lewis Street and Perry Street [, and the Closter Commons Shopping Center].)

Section 2.

Chapter 200-3 of the Zoning Code of the Borough of Closter is hereby amended as follows:

Block 10, lots 3, and 3.01 to 3.33 are hereby rezoned into District No. 3A Business Overlay Zone

Section 3.

Chapter 200 of the Zoning Code of the Borough of Closter is hereby amended as follows:

[NEW SECTION]

200-2 .1 Conditional Uses and Standards

- A. In addition to those uses permitted in District 4B Office Area B, multifamily housing conditionally permitted in the Business Overlay Zone, subject to site plan review by the Planning Board
- B. Multifamily housing shall be subject to the following conditions:
 - 1. Construction type: Duplex, quadruplex, townhouse or apartment
 - 2. Maximum residential density: 14 units acre
 - 3. Minimum lot area
 - a. Townhouse: 1 acre
 - b. Apartments: 3 acres
 - 4. Front yard setback: 25 feet
 - 5. Side yard setback: 10 feet, except where adjoining a lot developed with a single family dwelling, where 30 feet shall be required
 - 6. Rear yard setback: 20 feet, except where adjoining a lot developed with a single family dwelling, where 0 feet shall be required

- . Building coverage: 30%
- 8. Improved lot coverage: 50%
- 9. Maximum permitted building height (feet): 28 feet.
- 10. Maximum permitted building height (stories): two-and-a-half stories.
- 11. All parking requirements shall conform to Chapter 13 of the Code of the Borough of Closter, as well as the New Jersey Residential Site Improvement Standards, except that the Planning Board shall consider alternative parking standards in accordance with N. .A.C. 5:23-4.14(c).
- 12. At least 20% of all units, whether rental units or for-sale, shall be reserved for affordable households. Compliance with the Uniform Housing Affordability Controls, N. .A.C. 5:80 is required, as is compliance with the Borough of Closter Affordable Housing Ordinance.

Chapter 200 of the Zoning Code of the Borough of Closter is hereby amended as follows:

Section 4.

Chapter 200-54.8 of the Zoning Code of the Borough of Closter is hereby amended as follows:

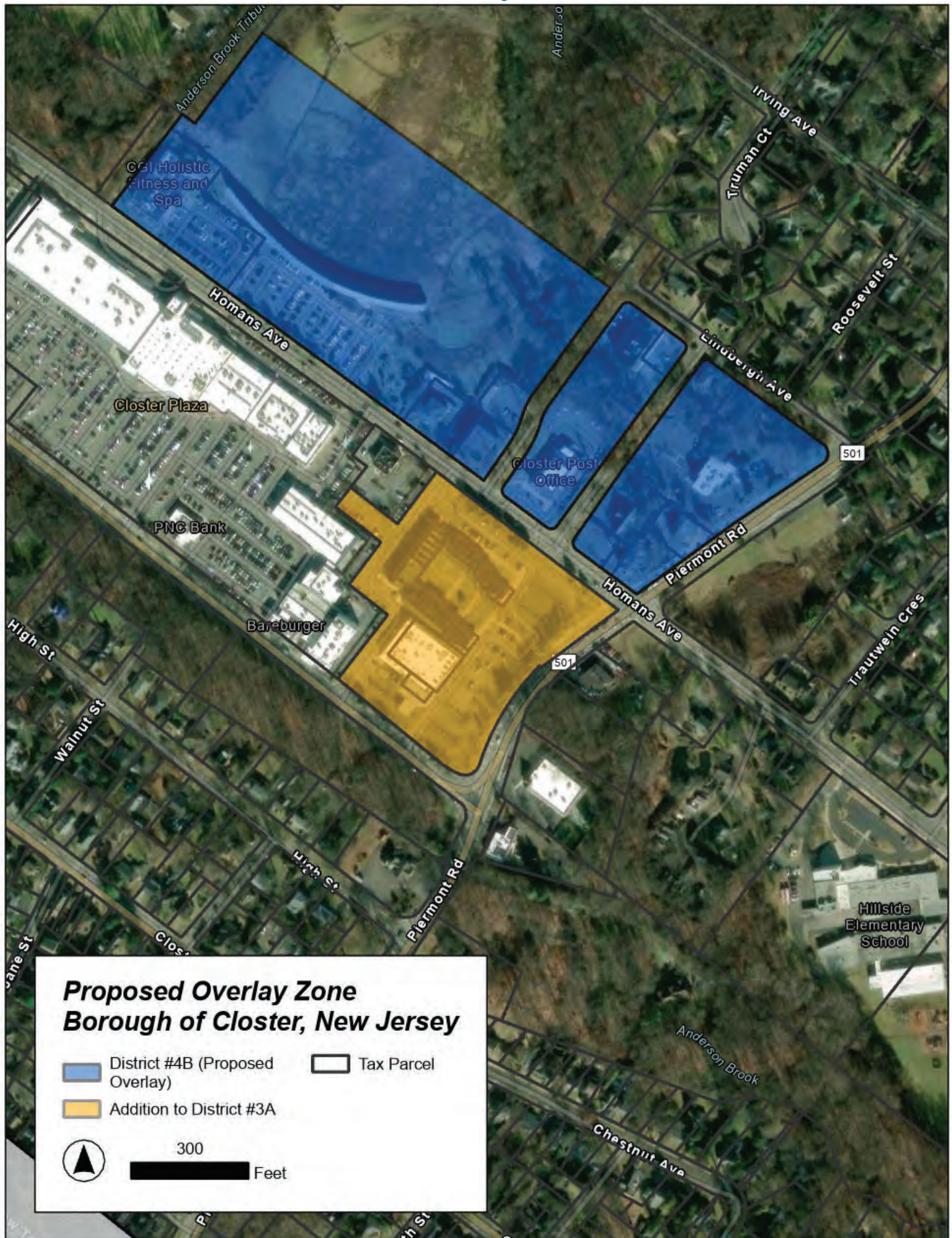
- A. In District Number 3A, Business Area 3A, a mix of business commercial and housing uses will be a permitted conditional use in the zone district. Such mixed-use developments would require site plan and conditional use approvals. The residential component of the mixed use will include an affordable component in an effort to meet the Borough's unmet need obligation. At least 20% of all units, whether rental units or for-sale, shall be reserved for affordable households. Compliance with the Uniform Housing Affordability Controls, N. .A.C. 5:80 is required, as is compliance with the Borough of Closter Affordable Housing Ordinance.
- B. The mixed use shall be subject to the following conditions:
 - (1)-(8) unchanged
 - (9) At least 20% of all units, whether rental units or for-sale, shall be reserved for affordable households. Compliance with the Uniform Housing Affordability Controls, N. .A.C. 5:80 is required, as is compliance with the Borough of Closter Affordable Housing Ordinance.

Section 5.

All Ordinances or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 6.

This Ordinance shall take effect immediately upon final passage and publication as required by law.



Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey

Appendix F: Rehabilitation Resolution

**BOROUGH OF CLOSTER
RESOLUTION #2025-151
MAY 28, 2025**

**AUTHORIZING THE AMENDMENT OF THE INTER-LOCAL
AGREEMENT WITH THE BOROUGH OF PARAMUS TO INCLUDE
REHABILITATION SERVICES**

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) (hereinafter "Amended FHA"); and

WHEREAS, the Department of Community Affairs issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculated the Borough of Closter's Round 4 (2025-2035) Rehabilitation Obligation to be 16 units; and

WHEREAS, pursuant to Resolution number 2025-113 which was adopted on March 26, 2025, the Borough bound itself to a Rehabilitation Obligation of 16 units for Round 4; and

WHEREAS, the Borough's Planner has advised the Governing Body that there is a need to contract with an entity to assist with the administration of the Rehabilitation Obligation; and

WHEREAS, Closter currently participates in an Inter-Local Agreement with the Borough of Paramus to for Administration of Affordable Housing; and

WHEREAS, the Governing Body desires to amend the aforementioned Inter-Local Agreement to include Rehabilitation Services (a preliminary outline of these services is attached hereto as Exhibit A); and

WHEREAS, the additional fee for these services shall be \$15,000 annually.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Closter:

1. The amendment to the Inter-Local Agreement with Paramus to include Rehabilitation Services for the additional amount of \$15,000 annually is hereby authorized.
2. The Borough Attorney is hereby authorized to prepare the contract and/or any other documents necessary pursuant to this amendment.
3. The Mayor and Clerk are hereby authorized to execute the contract and/or any other documents necessary pursuant to this amendment.

CERTIFICATE OF AVAILABILITY OF FUNDS

I, Francis Elenio, Chief Financial Officer of the Borough of Closter, hereby certify, pursuant to N.J.S.A. 40A:9-140.1 et seq. and N.J.A.C. 5:30.4, that the funds are available for this contract in the following account: **T-12-56-286-000-003**.



Francis Elenio, CFO

**Borough of Closter
Resolution #2025-151**

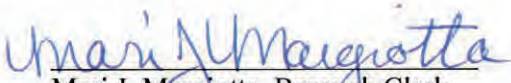
**May 28, 2025
Page 2 of 3**


COUNCILMEMBER	MOTION	SECOND	YES	NO	ABSENT	ABSTAIN
Councilwoman Amitai			✓			
Councilman Cho			✓			
Councilwoman Chung					✓	
Councilwoman Latner	✓		✓			
Councilwoman Maroules		✓	✓			
Council President Yammarino			✓			

Adopted: May 28, 2025


ATTEST:

APPROVED:


Mari J. Margiotta, Borough Clerk


John C. Glidden, Jr., Mayor

Certified to be a true copy of Resolution adopted by the Mayor and Council of the Borough of Closter at the Regular Meeting held May 28, 2025.


Mari J. Margiotta, Borough Clerk

Housing Plan Element and Fair Share Plan – Round 4
Borough of Closter, Bergen County, New Jersey

Appendix G: Spending Plan



BOROUGH OF CLOSTER

AFFORDABLE HOUSING SPENDING PLAN AMENDMENT

June 15, 2025

INTRODUCTION

The Borough of Closter has prepared a Housing Element and Fair Share in accordance with the Municipal and County Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:2 D-301). A development fee ordinance creating a dedicated revenue source for affordable housing was approved by COAH on December 3, 1998 and adopted by the Borough on January 4, 1999.¹ The ordinance was revised on November 21, 2012. The ordinance establishes the Borough of Closter's affordable housing trust fund for which this spending plan is prepared.

All development fees, payments in-lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited into this separate, interest-bearing Affordable Housing Trust Fund for the purposes of affordable housing. These funds shall be spent in accordance with applicable affordable housing regulations.

1. REVENUES FOR CERTIFICATION PERIOD

As of April 30, 2025, the Borough of Closter has a balance of \$2,191,000 in its Affordable Housing Trust Fund. The Borough has collected a total of \$4,293,000 in revenue, as follows:

- Development Fees: \$4,049,130
- Interest: \$24,870

The Borough has expended a total of \$2,099,589, as follows:

- Administrative Costs: \$459,589
- Other Housing Activity: \$1,400,000

¹ Borough of Closter 2012 Spending Plan.

All of Closter's development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in separate interest-bearing affordable housing trust funds in TD Bank for the purposes of affordable housing. All housing trust fund monies shall be spent in accordance with current affordable housing rules as described in the sections that follow.

- (a) Development fees: The plan projects approximately \$1,500 in development fees to be collected each year.
- (b) Payment in lieu (PI): The Borough does not currently anticipate the contribution of any payments in lieu for the municipal Affordable Housing Trust Fund through 2035.
- (c) Other funding sources: The Borough does not currently anticipate the contribution of any other funds toward the municipal Affordable Housing Trust Fund through 2035.
- (d) Projected interest: It is estimated that the Borough of Closter will collect approximately \$9,500 through 2035.

TABLE 1 PROJECTED REVENUES												
Affordable Housing Trust Fund, May 1, 2025 through 2035												
Source	5/1/25-12/31/25	1/1/26-12/31/26	1/1/27-12/31/27	1/1/28-12/31/28	1/1/29-12/31/29	1/1/30-12/31/30	1/1/31-12/31/31	1/1/32-12/31/32	1/1/33-12/31/33	1/1/34-12/31/34	1/1/35-12/31/35	Total
Development Fees	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,815,000
PI Construction	0	0	0	0	0	0	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0	0	0	0	0	0	0
Interest	25,000	30,000	30,000	30,000	30,000	5,000	5,000	4,000	4,000	4,000	2,500	\$9,500
Total	190,000	195,000	\$1,100	\$1,100	\$1,100	\$1,000	\$1,000	\$1,900	\$1,900	\$1,900	\$1,500	\$1,912,500

The Borough of Closter projects a total of \$1,912,500 in revenue and interest to be collected between through 2035. This projected amount, when added to the Borough of Closter's trust fund balance of \$2,191, results in anticipated total revenue of \$4,109,211 available to fund and administer its affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

There are no revisions from Closter's 2019 Spending Plan to the administrative mechanisms that will be used to collect and distribute funds.

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Borough's development fee ordinance for both residential and non-residential developments in accordance with all applicable rules, regulations and legislation.

(b) Distribution of development fee revenues:

The Planning Board adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation by resolution. The release of funds requires adoption of the governing body resolution in accordance with the spending plan. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the Trust Fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) Rehabilitation Program As described in Closter's Housing Element and Fair Share Plan, the Borough has a 1-unit Rehabilitation Obligation. To address the obligation, the Borough will establish a municipal rehabilitation program. With this program, the Borough will commit an average of \$24,000 per unit, resulting in a total contribution of approximately \$400,000. The Borough has sufficient existing and anticipated funds in its affordable housing trust fund to cover the \$400,000 Rehabilitation Obligation.

(b) Future Affordable Housing - The Borough is proactive with the provision of affordable housing. Closter continues to search for affordable housing opportunities, and at this time, has earmarked \$500,000 toward future opportunities.

(c) Affordability Assistance - At least 30% of the development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipality's Fair Share Plan. One-third of the affordability assistance portion shall be used to provide affordability assistance to very low income households. Trust Fund fees shall only be used for affordable units. Closter proposes a variety of mechanisms to provide for the affordability assistance requirements, as follows:

- Millage School The Borough proposes additional funding of \$2,000,000 for the Millage School property, which is a 100% affordable development. This is considered to be affordability assistance as Millage is a 100% affordable development.

The Borough proposes the following affordability assistance programs, all of which were included in the 2018 Spending Plan, for a total estimated expenditure of \$29,211, depending on actual development fees collected.

- The Borough of Closter shall make trust fund monies available for down payment and rental assistance, as well as assistance with security deposits, homeowners association and condominium fees, special assessment fees, and for assistance with emergency repairs for low and moderate income households. With this program, priority will be given to very low income households for compliance with the requirement that one-third of the affordability assistance requirement be used for the very low income population.
- The Borough shall develop a program to provide lump sum payments to the developers of inclusionary developments in Zone Districts 3A (New Business District), 4 (Commercial District), 4b (Office Area) and 5 (Industrial District) to make units more affordable for low and very low income households. The developer of low income units will be offered a payment for the difference between a low and a very low income unit. In exchange, that particular unit would be deed restricted as a unit that is affordable to a very low income household. Closter's program will include guidelines for a lump sum payment to a provider of affordable lower income housing, based on calculation of the present value of the difference in permitted rent over a 30 year term between a low income unit and a very low income unit.
- The Borough of Closter shall develop a program to assist affordable households and developments with repairs of water heaters and furnaces. New water heaters are more energy efficient and could potentially reduce water bills similarly, new furnaces would be more efficient and could assist the household with a reduction in utility costs. The Borough will target the existing very low income developments (Spectrum and Antage developments) for compliance with the requirement that one-third of the affordability assistance requirement be used for the very low income population.
- The Borough shall develop a program to fund green building techniques, such as one more solar panel installations, at any of the 100% affordable developments (Illage School, Spectrum for living, or Antage Health). Solar panels could provide affordability assistance by reducing the building's utility expenses. The Borough would target the Spectrum for living and Antage Health properties because they serve the very low income population this would assist with compliance that one-third of the affordability assistance requirement be used for the very low income population. Depending on actual development fees collected, funding for the solar panel installation would also be available at the Illage School development, to assist with lowering the utility costs at the 100% affordable development.
- If the municipality demonstrates that there are no units for which affordability

assistance programs can be offered, the Borough will request a waiver of this requirement pursuant to N. J.A.C 5:9 -8.8c. In that situation, any unused funds that were anticipated to be used for Affordability Assistance shall instead be used to cover construction costs at the Millage School project (if needed), or, paying down the cost of the Millage School bond.

Table 2 includes the calculation of the required affordability assistance amounts through 2035. The Borough will exceed its affordability assistance requirement of \$1,216,553.

TABLE 2 AFFORDABILITY ASSISTANCE CALCULATION		
		Total
Actual development fees and interest through 4/30/2025		\$4,266,360
Projected development fees and interest through 2035.		\$1,125,500
Less Housing Activity Expenditure	-	\$1,420,000
Total		\$4,971,860
30% Requirement	x .30	\$1,436,658
Less Affordability Assistance Expenditures	-	\$220,000
Projected Min. Afford. Asst. Through 2035		\$1,216,658
Projected Min. Afford. Asst. for Every Low Income, Through 2035	x 1.3	\$405,553

(c) Administrative Expenses

Per affordable housing regulations, no more than 20% of the revenues collected from development fees shall be expended on administration. The Borough projects that a maximum of \$8,183 will be available from the affordable housing trust fund to be used for administrative expenses.

TABLE 3 ADMINISTRATIVE EXPENSE CALCULATION		
		Total
Actual fees and interest thru 4/30/2025		\$4,266,360
Projected Development Fees and interest November through 2035		\$1,125,500
Less CA Expenditures	-	\$520,000
Total for Admin. Calculation, through 2035		\$5,871,860
20% Maximum for Admin. Expense	x .20	\$1,136,372
Less Admin through 4/30/2025	-	\$45,500
Available for Admin. through 2035		\$6,690,888

Legal or other fees related to litigation opposing affordable housing sites or objecting to the COAH's regulations and or actions are not eligible uses of the affordable housing trust fund.

Projected administrative expenditures, subject to the 20% cap, are as follows:

1. Expenditures for consultant and professional fees in connection with future revisions and amendments to the Housing Element and Fair Share Plan.

2. Preparation of this Spending Plan and revisions thereto as required by any future reviewing body.
3. Expenditures for consultant and professional fees in connection with future revisions to the affordable housing ordinances necessary to implement the Borough's Housing Element and Fair Share Plan.
4. Additional expenses for the Municipal Housing liaison.
5. Expenditures for the provision of Administrative Agent services.
 - . Expenditures for consultant and professional fees in connection with planning, development and implementation of affordable housing sites and developments.
 - . Expenditures for consultant and professional fees to further any section or proposal from the adopted Housing Element and Fair Share Plan, and revisions and amendments thereto.
8. Expenditures for professional fees for annual affordable housing monitoring and required reviews.
9. Municipal Housing liaison and Administrative Agent training and on-going certification.
10. Research and preparation of the annual trust fund and affordable housing activity monitoring as required by the Settlement Agreement.
11. Preparation of the very-low income monitoring every three years as required by the Settlement Agreement.
12. Preparation of a Housing Element and Fair Share Plan and a Spending Plan to satisfy future round 4 requirements.

4. EXPENDITURE SCHEDULE

The Borough of Closter intends to use affordable housing trust fund revenues to fund its rehabilitation program, for general affordable housing purposes, and for affordability assistance requirements.

TABLE 4 EXPENDITURE SCHEDULE

Pro ects Progra	Pro ected E penditure Sc edule uly 1, 2025 Dece ber 31, 2035											
	5/1/25- 12/31/25	1/1/26- 12/31/26	1/1/27- 12/31/27	1/1/28- 12/31/28	1/1/29- 12/31/29	1/1/30- 12/31/30	1/1/31- 12/31/31	1/1/32- 12/31/32	1/1/33- 12/31/33	1/1/34- 12/31/34	1/1/35- 12/31/35	Total
General	0	0	50,000	0	50,000	50,000	75,000	75,000	75,000	75,000	50,000	\$500,000
ehabilitation	0	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	\$400,000
Affordability Assistance	20,000	2,000,000	100,000	100,000	150,000	50,000	50,000	50,000	50,000	59,271	100,000	\$2,729,271
Administrative Expenses	30,000	40,000	50,000	50,000	50,000	40,000	40,000	40,000	40,000	50,000	50,000	\$480,000
Total	\$50,000	\$2,080,000	\$240,000	\$190,000	\$290,000	\$180,000	\$205,000	\$205,000	\$205,000	\$224,271	\$240,000	\$4,109,271

5. EXCESS OR SHORTFALL OF FUNDS

In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated to rehabilitation and or affordability assistance program, and or additional affordable housing activity necessary to address any remaining nmet Need. In the event that a shortfall of anticipated revenues occurs, the Borough of Closter will address the shortfall of funds through an alternative funding source to be identified by the Borough or by adopting a resolution with an intent to bond, or the Borough will amend its spending plan to reduce the amount of funds available for the affordability assistance program and administrative expenses.

6. BARRIER- FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Borough of Closter s Affordable Housing Ordinance and in accordance with applicable rules.

SUMMARY

The Borough intends to spend affordable housing trust fund revenues pursuant to applicable rules and to be consistent with the housing programs outlined in the 2025 Housing Element and Fair Share Plan.

The Borough's Affordable Housing Trust Fund has a balance of \$2,196,000 as of April 30, 2025, and estimates a total of \$1,912,500 in potential revenue and interest to be collected between through December 31, 2035. This projected amount, when added to the Borough of Closter's trust fund balance, results in anticipated total revenue of \$4,109,200 available to fund and administer its affordable housing plan. The municipality will fund rehabilitation and affordability assistance. The amount indicated for affordability assistance exceeds the 30% requirement.

The Spending Plan summary is provided below.

TABLE 5 SPENDING PLAN SUMMARY		
		Total
Balance as of April 30, 2025		2,196,000
Projected Revenue Through 2035		
Development fees		1,150,000
Payments in lieu of construction		0.00
Other funds		0.00
Interest		500
Total Available Funds		4,109,200
Projected Expenditures Through 2035		
Funds Used for Rehabilitation		400,000
General Affordable Housing		500,000
Affordability Assistance		2,200,000
Administration		400,000
Total Projected Expenditures		4,109,200
Remaining Balance		0

Actual affordability assistance minimums are calculated on an ongoing basis, based on actual revenues.

Administrative expenses are limited to 20 percent of what is actually collected.