



Borough of Harrington Park

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RESOLUTION 2026-71

**RESOLUTION ADOPTING THE SPENDING PLAN FOR THE FOURTH ROUND
PLANNING PERIOD**

WHEREAS, the Borough of Harrington Park (“Borough”) has prepared a Housing Element and Fair Share Plan in accordance with N.J.S.A. 40:55D-1 et seq., the Amended Fair Housing Act N.J.S.A. 52:27D-301, and N.J.A.C. 5:99 to address its affordable housing obligations; and

WHEREAS, a Development Fee ordinance creating a dedicated revenue source for affordable housing in the Borough was adopted by the municipality in 2007, amended in 2008 and 2018 and is further being amended this March 2026; and

WHEREAS, this Spending Plan for the Fourth Round Planning Period (“Spending Plan”) was prepared by the Borough’s Planning Consultants, Phillips, Priess, Grygiel, Leheny, Keller, LLC in compliance with the March 2026 amendment to the Township’s Development Fee Ordinance and applicable state statutes and regulations; and

WHEREAS, all development fees, and interest generated by the fees, are deposited in a separate interest-bearing affordable housing trust fund in Connect One Bank for the purpose of affordable housing. The Spending Plan sets forth how the Borough intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99 and consistent with the programs outlined in the Borough’s Housing Element and Fair Share Plan; and

WHEREAS, this Resolution does not authorize the release of funds from the Affordable Housing Trust Fund, rather it adopts the Spending Plan that provides direction and procedures for how such funds should be collected and applied, any request for the release of funds shall require all applicable approvals at the time of the request; and

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

1. The above recitals are incorporated herein as if set forth in full.
2. The Spending Plan for the Fourth Round Planning Period, attached hereto as **Exhibit A**, is hereby adopted.
3. This resolution and the Spending Plan shall be filed with the Superior Court no later than March 16, 2026.
4. This Resolution shall take effect immediately upon adoption.

CERTIFICATION

I, Carolyn Lee, Municipal Clerk of the Borough of Harrington Park, hereby certify the foregoing to be a true copy of a Resolution adopted by the Governing Body of the Borough of Harrington Park at a duly convened meeting held on March 16, 2026.

Carolyn Lee, Municipal Clerk

VOTE	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
NAPOLITANO (AN)						✓
EVANELLA (GE)		✓	✓			
BLACKINTON (WB)			✓			
WALKER (DW)						✓
PEDERSEN (JP)	✓		✓			
BROCKMAN (JB)			✓			

I hereby certify the above resolution was approved by the Mayor & Council of the Borough of Harrington Park at the meeting held on March 16, 2026.

Carolyn Lee, RMC, CMR
Borough Clerk

Affordable Housing Trust Fund Spending Plan
Borough of Harrington Park
Adopted March 16, 2026

INTRODUCTION

The Borough of Harrington Park, Bergen County has prepared a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), and N.J.A.C. 5:99-1 et seq. A development fee ordinance creating a dedicated revenue source for affordable housing was formerly approved by COAH and the Superior Court and adopted by the municipality. The ordinance established the Harrington Park affordable housing trust fund for which this spending plan is prepared. The governing body is considering an amendment to the affordable housing ordinance concurrently with the adoption of this Spending Plan.

As of March 31, 2025, Harrington Park has collected \$148,783.69 and expended \$55,652.65, resulting in an affordable housing trust fund balance of \$93,131.04 as of that date. 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 in a separate interest-bearing affordable housing trust fund in Connect One Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99-1 et seq., as described in the sections that follow.

The Borough reserves the right and authority to further amend or modify the within spending plan to address or take into account changes which may be warranted due to new rules or rule amendments or judicial determinations, which may change standards or establish new criteria for the Borough to address its affordable housing obligation.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the Fourth Round (2025-2035), Harrington Park considered the following:

- (a) Development fees in accordance with N.J.A.C. 5:99-3.1 through 3.4, including:
 - 1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
 - 2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
 - 3. Future development that is likely to occur based on historical rates of development.

- (b) Payments in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers as follows: None
- (c) Other funding sources: An affordable housing trust fund may also contain recaptured funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines and application fees, and any other funds collected by the Borough in connection with its affordable housing programs. No other funds have been or are anticipated to be collected.

- (d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate of 2.50%.

No large development projects are anticipated in the coming years due to the lack of vacant and developable land in Harrington Park.

SOURCE OF FUNDS	PROJECTED REVENUE SCHEDULE APRIL 1, 2025-JUNE 30, 2035					
	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	
(a) Development fees:						
1. Approved Development	\$0	\$0	\$0	\$0	\$0	
2. Development Pending Approval	\$0	\$0	\$0	\$0	\$0	
3. Projected Development ¹	\$9,195.36	\$9,195.36	\$9,195.36	\$9,195.36	\$9,195.36	
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	
(c) Other Funds (Specify source(s))	\$0	\$0	\$0	\$0	\$0	
(d) Interest	\$2,068.74	\$1,860.91	\$1,647.89	\$1,429.55	\$1,205.75	
Total	\$11,264.10	\$11,056.27	\$10,843.26	\$10,624.91	\$10,401.11	
	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	Total
(a) Dev. fees:						
1. Appr.	\$0	\$0	\$0	\$0	\$0	\$0
2. Pending	\$0	\$0	\$0	\$0	\$0	\$0
3. Projected	\$9,195.36	\$9,195.36	\$9,195.36	\$9,195.36	\$9,195.36	\$91,953.61
(b) P-i-L	\$0	\$0	\$0	\$0	\$0	\$0
(c) Other	\$0	\$0	\$0	\$0	\$0	\$0
(d) Interest	\$976.35	\$741.22	\$500.21	\$253.17	\$0.01	\$10,683.80
Total	\$10,171.71	\$9,936.58	\$9,695.57	\$9,448.53	\$9,195.37	\$102,637.42

¹ Between 01/01/2018 and 03/31/2025, the Borough of Harrington Park received development fees totaling \$66,666.37 from all qualifying residential and non-residential development activities within the Township, or an annual average of \$9,195.36. Future development trends and resulting annual development fees are assumed to be consistent with current levels, resulting in total development fees of approximately \$91,954 through 2035.

Harrington Park projects a total of approximately \$102,637 in revenue to be collected between April 1, 2025 and June 30, 2035. All affordable housing trust fund monies and interest earned on the account shall accrue to the account to be used only for the purposes of eligible affordable housing activities as set forth at N.J.A.C. 5:99-2; as enumerated within this Spending Plan and approved by the Dispute Resolution Program pursuant to N.J.S.A. 52:27D-329.2.a(4); or as otherwise part of an emergent opportunity pursuant to N.J.A.C. 5:99-4 as authorized by the Division of Local Planning Services within the Department of Community Affairs.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Harrington Park's development fee ordinance for both residential and non-residential developments in accordance with N.J.A.C. 5:99-3.1 et seq., and the monitoring of development fees shall be conducted in accordance with the requirements of N.J.A.C. 5:99-5.3 and 5:99-5.4.

(b) Distribution of development fee revenues:

The disbursement of monies in Harrington Park's affordable housing trust fund is coordinated by its Municipal Housing Liaison in conjunction with the Borough's Chief Financial Officer and the Borough Council. In some instances, funds will be provided to other entities, such as an entity responsible for administering a rehabilitation program, for eventual disbursement. Development fees shall be spent or committed to be expended within four years of the date of collection, in accordance with N.J.A.C. 5:99-5.5.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) Affordable Housing Activities (N.J.A.C. 5:99-2.3(a))

The Borough of Harrington will dedicate a total of \$55,768 toward the following eligible affordable housing activities:

- The contemplated Bergen County United Way (BCUW) Group Home to construct a 4-bedroom group home for seniors on three parcels owned by the Borough of Harrington Park and identified on the Tax Maps as Block 707, Lots 1 and 16 and Block 728, Lot 1, as detailed further within the Borough’s Fourth Round Settlement Agreement with Fair Share Housing Center.
- Acquisition and/or improvement of land to be used for affordable housing;
- The extension of expiring controls;
- Any other emergent affordable housing opportunity, as approved by the Division

Furthermore, the Borough intends to dedicate a total of \$90,000 to provide an additional 3 affordable accessory apartments. The Borough will set aside \$30,000 for each affordable accessory apartment.

Harrington Park will dedicate \$0 to its rehabilitation program, as the Borough does not have a rehabilitation or present need obligation for the Fourth Round.

(b) Affordability Assistance (N.J.A.C. 5:99-2.3(12) and 5:99-2.5)

The projected affordability assistance requirement will be as follows:

AFFORDABILITY ASSISTANCE CALCULATION		
Actual development fees through 03/31/2025		\$141,825.21
Actual interest through 03/31/2025		\$6,958.48
Development fees projected 04/01/2025 through 06/30/2035	+	\$91,953.61
Interest projected 2025-2035	+	\$10,683.80
Less expenditures through 03/31/2025	-	\$55,652.65
Total	=	\$195,768
PROJECTED Affordability Assistance Requirement 04/01/2025 through 06/30/2035	=	\$30,000
PROJECTED Very Low-Income Affordability Assistance Requirement 04/01/2025 through 06/30/2035	÷ 3 =	\$10,000

Pursuant to N.J.A.C. 5:99-2.5, the Borough shall set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to very-low-, low-, and moderate-income households in affordable units included in the Borough’s fair share plan, pursuant to N.J.S.A. 52:27D-329.1. As such, the Borough will dedicate \$30,000 from the affordable housing trust fund to provide affordability assistance to very low-, low-, and moderate-income households, including specifically \$10,000 to very-low-income households. Affordability assistance activities include, but are not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner's association or

condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code.

For very low-income households, affordability assistance may include offering a subsidy to developers of inclusionary or 100 percent affordable housing developments or buying down the cost of low- or moderate-income units in the Borough’s fair share plan to make them affordable to very low-income households, including special needs and supportive housing opportunities.

(c) Administrative Expenses (N.J.A.C. 5:99-2.4)

Administrative expenses shall represent no more than 20 percent of all expenditures from the affordable housing trust fund.

ADMINISTRATIVE EXPENSE CALCULATION		
Actual development fees AND interest through 03/31/2025		\$148,783.69
Development fees AND interest projected 04/01/2025 through 06/30/2035	+	\$102,637.42
Payments-in-lieu of construction and other deposits through 07/17/2008	+	0
Less expenditures through 03/31/2025	-	\$55,652.65
Total for Administrative Calculation	=	\$195,768
Less Required Affordability Assistance expenditures through 06/30/2035	-	\$30,000
Less Accessory Apartment Set Aside (3 units)	-	\$90,000
Less Additional Affordable Housing Activities ¹	-	\$55,768
Available for Administrative Expenses 04/01/2025 through 06/30/2035		\$20,000

¹The affordable housing activities listed in subsection 3(a) of this Spending Plan.

Harrington Park projects that approximately \$20,000 will be available from the affordable housing trust fund to be used for administrative purposes. While the Borough is permitted to utilize a maximum of 20 percent of its total projected expenditures (\$39,154) for administrative expenses, the Borough intends to set aside \$90,000 for 3 accessory apartment units; \$55,768 for additional affordable housing activities as outlined in subsection 3(a) above, inclusive of the contemplated BC UW group home; \$30,000 for the required affordability assistance, leaving only \$20,000 in remaining projected funds. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

- Costs reasonably related to the determination of the fair share obligation and the development of a municipal housing element and fair share plan, including fees necessary to develop or implement affordable housing programs, an affirmative marketing program, and/or expenses that are reasonably necessary for compliance with the processes of the Program, including, but not limited to, the costs to the municipality of resolving a challenge pursuant to the Program;

- Costs associated with functions carried out in compliance with UHAC, including activities related to the marketing program and waitlist management, administering the placement of occupants in housing units, income qualification of households, monitoring the turnover of sale and rental units, preserving existing affordable housing, and compliance with the Division's monitoring requirements; and
- A proportion of a municipal employee's salary related to the MHL or RCA administrator functions and fees for required educational programs, which may be paid as an administrative expense from the municipal affordable housing trust fund.

(d) Other Expenditures

The Borough does not anticipate collecting or expending affordable housing trust funds in accordance with the optional activities listed at N.J.A.C. 5:99-2.8,

The full schedule of projected expenditures for the duration of the Fourth Round is shown within the following table.

4. EXPENDITURE SCHEDULE

Harrington Park intends to use affordable housing trust fund revenues as follows:.

Program	PROJECTED EXPENDITURE SCHEDULE					
	APRIL 1, 2025-JUNE 30, 2035					
	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	
Rehabilitation	\$0	\$0	\$0	\$0	\$0	
Accessory Apartment –	\$0	\$30,000	\$0	\$30,000		
BCUW Group Home & Other Affordable Housing Activities ¹	\$5,576.80	\$5,576.80	\$5,576.80	\$5,576.80	\$5,576.80	
Affordability Assistance	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	
Administration	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	
Total	\$10,576.80	\$40,576.80	\$10,576.80	\$40,576.80	\$10,576.80	
	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	Total
Rehab.	\$0	\$0	\$0	\$0	\$0	
Acc. Apt –	\$0	\$30,000		\$0	\$0	\$90,000
BCUW & Aff. Housing Activities ¹	\$5,576.80	\$5,576.80	\$5,576.80	\$5,576.80	\$5,576.80	\$55,768
Aff. Asst.	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 30,000
Admin.	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 20,000
Total	\$40,576.80	\$10,576.80	\$10,576.80	\$10,576.80	\$10,576.80	\$195,768

¹ The affordable housing activities listed in subsection 3(a) of this Spending Plan.

5. EXCESS OR SHORTFALL OF FUNDS

In accordance with N.J.A.C. 5:99-5.6, in the event there is a shortfall in funding for a proposed affordable housing delivery technique, then the Division may require the governing body of Harrington Park to adopt a resolution appropriating funds from general revenue or a resolution of intent to bond.

In accordance with N.J.A.C. 5:99-4.1, in the event that excess funds are collected, the Borough may request authorization from the Division for the expenditure of excess affordable housing trust funds on emergent affordable housing opportunities not included in the Borough's Fair Share Plan. The request shall be made in the form of a resolution from the governing body of the Borough and shall include:

1. Documented proof that the excess funds are not accounted for in the municipality's spending plan approved by the Program or a court of competent jurisdiction;
2. A description of the affordable housing activity in accordance with N.J.A.C. 5:99-4.1(b) and 5:99-2.3;
3. Documentation demonstrating that the entire municipal trust fund balance will be spent and/or committed for expenditure within four years, as set forth at N.J.A.C. 5:99-5.5, shall be submitted to the Division with the request; and
4. A certification that the affordable housing opportunity is consistent with P.L. 2024, c. 2. and information describing the proposed affordable housing mechanism. The certification shall demonstrate that the proposal does not alter the spending plan approved by the Program or court of competent jurisdiction.

6. BARRIER FREE ESCROW

Any collection and distribution of barrier free funds shall be consistent with the Borough of Harrington Park's Affordable Housing Ordinance and in accordance with N.J.A.C. 5:99-2.6 .

SUMMARY

The Borough of Harrington Park intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99-2.3 through 2.5 and consistent with the housing programs outlined in the Housing Element and Fair Share Plan (HEFSP). To the extent that programs described herein are not described in the HEFSP, the Borough of Harrington Park will submit an amendment to its HEFSP.

Harrington Park had a balance of \$93,131.04 as of March 31, 2025 and anticipates an additional \$91,954 in revenues and \$10,683.80 in interest from 2025 to 2035, for a total of \$102,637. The municipality will dedicate \$90,000 toward the creation of 3 accessory apartment units; \$55,768 toward the contemplated BC UW group home and additional eligible affordable housing activities as outlined above in subsection 3(a); \$30,000 to render units more affordable; and \$20,000 to administrative costs. Any shortfall of funds will be offset by funds appropriated from general revenue, or the Borough will adopt a resolution of intent to bond. The municipality will dedicate any excess funds or remaining balance toward providing eligible affordable housing activities as part of emergent opportunities pursuant to N.J.A.C. 5:99-4. .

SPENDING PLAN SUMMARY		
Balance as of March 31, 2025		\$93,131.04
PROJECTED REVENUE 2025-2035		
Development fees	+	\$91,953.61
Payments in lieu of construction	+	\$0
Other funds	+	\$0
Interest	+	\$10,683.80
TOTAL AVAILABLE FUNDS		= \$195,768
PROJECTED EXPENDITURES		
Funds used for Rehabilitation	-	\$0
Accessory Apartments (3)		\$90,000
BC UW Group Home & Other Affordable Housing Activities ¹		\$55,768
Affordability Assistance	-	\$30,000
Administration ²	-	\$20,000
TOTAL PROJECTED EXPENDITURES		= \$195,768
REMAINING BALANCE		= \$0

¹ The affordable housing activities listed in subsection 3(a) of this Spending Plan.

²Administrative expenses are limited to 20 percent of what is actually collected.