

March 11, 2026  
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**AFFORDABLE HOUSING TRUST FUND SPENDING PLAN**

**TOWNSHIP OF SOUTHAMPTON  
BURLINGTON COUNTY  
NEW JERSEY**



**ENVIRONMENTAL  
RESOLUTIONS, INC.**

*Engineers • Planners • Scientists • Surveyors*

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A handwritten signature in black ink, appearing to read 'Patrick L. VanBernum', is written over a horizontal line.

Patrick L. VanBernum, AICP PP  
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## **INTRODUCTION**

The Township of Southampton, Burlington County, has prepared this Spending Plan in conformance with N.J.A.C. 5:93-5.1 and N.J.A.C. 5:97-8.10 to itemize the Township's intended use of its affordable housing trust funds. A development fee ordinance creating a dedicated revenue source for affordable housing and establishing a housing trust fund was adopted on March 18, 2025, through Ordinance 2025-02. The ordinance re-establishes the Township's affordable housing trust fund and establishes standards for the collection, maintenance, and expenditure of development fees pursuant to the Court's approval in accordance P.L.2008, c. 46, Sections 8 and 32 through 38.

As of January 12, 2026, the Township of Southampton has not collected any development fees, nor has any interest accumulated within the trust fund. All development fees, payments in lieu of constructing affordable units on site, and interest generated by the fees will be deposited in a separate interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds will be spent in accordance with N.J.A.C. 5:93-8.16 and 5:97-8.7 to 8.9 as described in the sections that follow.

### **1. REVENUES FOR THE CERTIFICATION PERIOD**

To calculate a projection of revenue anticipated during the 2025-2035 period, the Township of Southampton considered the following:

(a) Development fees:

1. Residential and nonresidential projects that have had development fees imposed upon them at the time of preliminary or final development approvals and that are not exempt;
2. All projects currently before the Land Development Board 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.

The Township of Southampton does not anticipate significant non-residential development in the next 10 years. As detailed in the Township's Fourth Round Housing Element and Fair Share Plan, while the overall number of households within the Township is projected to decrease by 12-13 units, it is estimated that an approximate 26 new residences may be constructed by the year 2035. Using housing unit certification and demolition data from the Department of Community Affairs, a 15-year average was calculated and used to project the anticipated number of housing units. Using the Township's median home value, per 2023 American Community Survey Data and the Township's Equalization Ratio, the equalized value of the anticipated development can be calculated. From the equalized value of the projected residential development, the potential

development fee revenue can be calculated. The total amount of projected revenue was spread out over the course of the 10-year period to 2035, rather than in a single year given the uncertainty when construction will actually occur.

- (b) Actual and committed Payment in Lieu (PIL) of construction from developers as follows:  
There have not been any Payments in Lieu collected by the municipality, and none are expected.
- (c) Other funding sources: No other funding sources have been utilized by the municipality and none are expected.
- (d) Projected interest: Interest on the projected revenue in the affordable housing trust fund is projected at the current average interest rate of 3.7%.

PROJECTED REVENUE SCHEDULE 2025-2035												
REVENUE	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
(a) Development fees:		\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$7,030	\$70,297
(b) Payments in Lieu of Construction		-	-	-	-	-	-	-	-	-	-	\$0
(c) Other Funds (Specify source(s))		-	-	-	-	-	-	-	-	-	-	\$0
(d) Interest (estimated 3.7%)		\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$2,601
<b>Total</b>		\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$7,290	\$72,898

As highlighted above, the projected development fee revenue was calculated using the projected number of housing units (as detailed in the Township's Fourth Round Housing Element and Fair Share Plan), the Township's median home value (2023 American Community Survey Data 5-Year Estimates), and the Township's Equalization Ratio (Burlington County Board of Taxation).

The Township of Southampton projects a total of \$72,898 in revenue may be collected between October 1, 2025 and December 31, 2035. All interest earned on the affordable housing trust funds shall be deposited into the affordable housing trust fund and used only for affordable housing purposes consistent with the terms and conditions set forth herein.

## 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 the Township of Southampton:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township of Southampton's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L. 2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The governing body shall adopt a resolution authorizing the expenditure of development fee revenues consistent with the spending plan. Once a request has been approved by resolution, the CFO shall release 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**

The Township intends to satisfy the 4th Round Rehabilitation Obligation (33 units) by participating in the county rehabilitation program. A municipality may satisfy its present need obligation through the implementation of a rehabilitation program. Such a program must focus on repairing or replacing essential housing systems, such as roofing, plumbing, electrical, heating, or structural (load bearing) elements, in order to bring existing housing units into compliance with applicable codes. The program must be administered by an entity with demonstrated experience in affordable housing rehabilitation and must be detailed in a manual subject to approval.

The Township intends to spend \$35,000 on rehabilitation within the Township. The minimum average hard cost per unit (excluding administrative expenses) for an eligible rehabilitation program was \$10,000 in the prior round. Actual costs will vary depending on the scope of repairs required to achieve code compliance.

(b) **Affordability Assistance:**

The Township of Southampton is required to dedicate a minimum of \$21,869 of the affordable housing trust fund to render units more affordable, including a minimum of \$7,290 to render units more affordable to households earning 30 percent or less of median income by region. The Township intends to spend \$23,319 on affordability assistance programs, and intends to spend \$7,773 on assistance to render units more affordable to very-low-income households, which may include down-payment assistance, security deposit assistance, rental assistance, low interest loans, assistance with homeowners association or condominium fees, and converting low-income units to very low-income units, or creating new very-low-income units.

<b>MINIMUM AFFORDABILITY ASSISTANCE</b>		
<b>Actual Development Fees &amp; Interest</b> (through 09/30/2025)	+	\$0
<b>Projected Development Fees</b> (10/01/2025 - 12/31/2035)	+	70,297
<b>Projected Interest</b> (10/01/2025 - 12/31/2035)	+	\$2,601.00
<b>TOTAL</b>		<b>\$72,898</b>
<b>30% Requirement</b>	X .30	\$21,869
<b>Less Affordability Assistance Expenditures</b> (thru 05/31/2025)	-	\$0
<b>Projected Min Affordability Assistance</b> (to 12/31/2035)	=	<b>\$23,319</b>
<b>Projected Min Affordability Assistance for Very Low Income</b> (to 12/31/2035)	X 1/3	<b>\$7,773</b>

(c) Administrative Expense

Projected maximum administrative expense calculation:

Thus, at this time, the Township of Southampton projects that a maximum of \$14,580 collected from development fees and interest will be available from the affordable housing trust fund to be used for administrative purposes between 2025-2035.

Administrative costs may include the costs of salaries and benefits for municipal employees or legal, planning, or other consultants' fees necessary to develop or implement the rehabilitation program and other Administrative Agent services including implementing the approved Housing Element and Fair Share Plan and affordability assistance.

MAXIMUM ADMINISTRATION EXPENSES		
<b>Actual Development Fees &amp; Interest</b> (through 09/30/2025)	+	\$0
<b>Projected Development Fees</b> (10/01/2025 - 12/31/2035)	+	70,297
<b>Projected Interest</b> (10/01/2025 - 12/31/2035)	+	\$2,601.00
<b>TOTAL</b>		<b>\$72,898</b>
20% Maximum for Admin Expense	x .20	\$14,580
Less Admin Expenditures (through 09/30/2025)	-	\$0
<b>Available for Admin</b> <b>(10/01/2025 - 12/31/2035)</b>	=	<b>\$14,580</b>

(d) **Housing Activity (Prior Rounds)**

As detailed in the Township's Fourth Round Housing Element and Fair Share Plan, the Township surrendered the prior-collected Affordable Housing Trust Fund balance in response to a Court Order by Judge Bookbinder, which required that the Township:

- 1) Adopt the necessary ordinances rescinding residential and nonresidential development fees such that any fees collected as part of such development would be received by the State and not the Township.
- 2) Transfer all funds in its Affordable Housing Trust Fund at the time including interest, to the NJ Department of Community Affairs (NJCA) for deposit in the State's Affordable Housing Trust Fund.

Thus, in 2017 when the Township relinquished its affordable housing trust fund and associated interest, the Courts had determined that the lack of realization for the development mechanisms contemplated under prior rounds were unfeasible and unrealistic. While the Township attempted to make every effort to otherwise comply throughout Rounds 1-3, these attempts resulted in a determination by the Court that the Township could not provide its fair share of affordable housing. **As such, this determination resulted in the abandonment of the Prior Round mechanisms and subsequent dismissal from the State Affordable Housing Program.** Thus, the Township does not anticipate dedicating funds to satisfy prior rounds' obligations.

#### 4. EXPENDITURE SCHEDULE

The Township of Southampton intends to expend the affordable housing trust fund money as depicted in the following table.

PROJECTED EXPENDITURE SCHEDULE 2025-2035												
EXPENSE	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation	-	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$35,000
Affordability Assistance	-	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$2,332	\$23,319
Administration	-	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$14,580
Housing Activity	-											\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,290</b>	<b>\$72,898</b>									

**5. EXCESS OR SHORTFALL OF FUNDS**

If funding should fall short of the amount necessary, the Township of Southampton will seek grants or low cost loans or use general revenues and its bonding capacity to meet such shortfall. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to produce additional affordable housing through these programs or pursuant to a Court-approved amendment to this Spending Plan.

**6. BARRIER-FREE ESCROW**

Collection and distribution of barrier-free funds shall be consistent with the Township of Southampton's Development Fee Ordinance.

**SUMMARY**

The Township of Southampton intends to spend affordable housing trust fund revenues consistent with the requirements of N.J.A.C. 5:97-8.10 and N.J.A.C. 5:93. The Township has collected \$0 in development fees, interest, and other revenue and anticipates an additional \$70,297 in development fees, and \$2,601 in interest, before December 31, 2035 for a total of \$72,898. The municipality intends to dedicate \$0 towards housing activity, \$35,000 towards rehabilitation, \$23,319 on affordability assistance, and \$14,580 on administrative costs.

<b>SPENDING PLAN SUMMARY</b>		
TOTAL REVENUE TO DATE		\$0
<b>PROJECTED REVENUE 2025-2035</b>		
Development fees	+	\$70,297
Payments in Lieu of Construction	+	\$0
Other Funds	+	\$0
Interest	+	\$2,601
<b>TOTAL PROJECTED FUNDS</b>	<b>=</b>	<b>\$72,898</b>
<b>TOTAL EXPENDITURES TO DATE</b>		
		\$0.00
<b>PROJECTED EXPENDITURES 2025-2035</b>		
Rehabilitation Program	-	\$35,000
Affordability Assistance	-	\$23,319
Administration	-	\$14,580
Housing Activity	-	\$0
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>=</b>	<b>\$72,898</b>
<b>REMAINING BALANCE</b>	<b>=</b>	<b>\$0</b>