

Springfield Township

Affordable Housing Trust Fund Spending Plan March 2026

Introduction

The Township of Springfield (the “Township”), Burlington 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 Amended Fair Housing Act (FHA) (N.J.S.A. 52:27D-301) and the new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99). A development fee ordinance creating a dedicated revenue source for affordable housing and establishing the Township of Springfield Affordable Housing Trust Fund was first adopted by the Township in 1993 and was updated several times in response to amended and updated rules and regulations. The development fee ordinance was most recently updated on March 11, 2026 by ordinance 2026-03.

As of December 31, 2025, the Township of Springfield had a balance of \$48,852¹ in its Affordable Housing Trust fund. 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 account at Provident Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99 as described in the sections that follow.

1. Revenues for Certification Period

To calculate a projection of revenue to be added to the AHTF during the Fourth Round compliance period (January 1, 2026 to June 30, 2035 for the purposes of this Spending Plan), the following have been considered:

(a) Development fees:

- Residential and nonresidential projects that have had development fees imposed upon them at the time of preliminary or final development approvals.
- All projects currently pending before the Joint Land Use Board for development approvals that may apply for building permits and certificates of occupancy.
- Future development that is likely to occur based on historical rates of development and known opportunities.

Based on collection trends in the Township over the last several years and based on an understanding of land use policies and developable land it is anticipated that development fee revenues will remain low during the Fourth Round period. There are a limited number of market rate single family residential dwellings that may be anticipated that will pay the development fee. Similarly, there are limited locations available and appropriate for non-farm non-residential development.

¹ All figures rounded to the nearest dollar.

(b) Payment in lieu (PIL). There are no payments in lieu anticipated at this time.

(c) Other Funds:

- Because this revenue is irregular and unpredictable, there are no further projections from this funding source during the compliance period.

(d) Projected interest:

- Interest on the AHTF revenue is projected at the current interest rate of 2.81% (the account is at Provident Bank).
- It is estimated that the Township will collect interest on the AHTF between January 1, 2026 through June 30, 2035. The interest estimates in the table below assume that revenues will be added, but that the trust fund balance will be diminished as the Township's affordable housing programs are implemented. In total it is anticipated that \$5,997 in interest will be added to the AHTF over the Fourth Round compliance period.

SOURCE OF FUNDS	PROJECTED REVENUES – AFFORDABLE HOUSING TRUST FUND JANUARY 1, 2026 THROUGH JUNE 30, 2035											Total
	2026	2027	2028	2029	2030	2031	2032	2033	2034	To 6/30/2035		
(a) Development Fees	16,500	7,500	21,500	12,500	9,000	9,000	9,000	9,000	9,000	9,000	9,000	112,000
(b) Payments in Lieu of Construction	0	0	0	0	0	0	0	0	0	0	0	0
(c) Other Funds	0	0	0	0	0	0	0	0	0	0	0	0
(d) Interest	1,836	1,044	695	644	353	335	316	297	277	200	200	5,997
Total	18,336	8,544	22,195	13,144	9,353	9,335	9,316	9,297	9,277	9,200	9,200	117,997

In sum, the Township Springfield projects a total of \$117,997 in revenue to be collected between January 1, 2026 and June 30, 2035. This projected amount, when added to the Township’s current trust fund balance of \$48,852 results in a total anticipated trust fund balance of \$166,849 available to fund, support, and administer the Township’s 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

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township's development fee ordinance (Chapter 35 Article II) for both residential and nonresidential developments in accordance with the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26, the Amended Fair Housing Act ("FHA") at N.J.S.A. 52:27D-301 et seq., the Municipal Land Use Law at N.J.S.A. 40:55D-8.1 through 8.7) and DCA's rules at N.J.A.C. 5:99.

Upon application for a zoning permit or building permit, the zoning officer or construction official, shall notify the tax assessor and request an estimate of the equalized assessed value of the development that is subject to the development fee. The first payment shall be based on 50% of the estimate. At the conclusion of construction and development, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development so the developer may be advised of the remaining fee to be paid prior to the issuance of a certificate of occupancy.

(b) Distribution of development fee revenues:

The Township Manager shall administer the distribution of the development fee in a manner consistent with this Spending Plan. The governing body shall adopt a resolution authorizing expenditure of development fee revenues consistent with the Spending Plan prior to distribution. Once an expenditure request has been approved by resolution, the CFO shall release the requested revenue from the AHTF for the specific use approved in the resolution.

3. Description of Anticipated Use of Affordable Housing Funds

(a) Proposed Municipally Sponsored 100% Affordable Projects:

\$ Amount To Be Determined. The Township has purchased 18 acres of land at 1245 Old York Road (Block 301 Lot 4.01) for the purposes of a 100% affordable housing development as set forth in the Third and Fourth Round Fair Share Plan. The Township has bonded to buy the land and has spent municipal funds on environmental and engineering studies and anticipates bonding up to \$1,000,000 in gap funding to support the permitting and extension of necessary water and sanitary sewer infrastructure to enable a 100% affordable development on this specific site. If AHTF revenues exceed the projections in this spending plan, the additional funds will be spent in support of this project (to offset municipal funds committed).

(b) Accessory Dwelling Units.

\$20,000. The Township budgets \$20,000 to subsidize one low-income accessory dwelling unit to be created consistent with the Township's updated accessory dwelling unit policies. Consistent with the fourth round fair share plan, a moderate income ADU will be incentivized by the ability to provide two ADUs on large lots (one market rate and one moderate income). The proposed \$20,000 subsidy may be available to incentivize a low income ADU that complies with the ordinance requirements. The low-income accessory dwelling unit will be deed restricted and administered as required by UHAC.

(c) Affordability Assistance.

N.J.A.C. 5:99-2.5 requires that the Township set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to low- and moderate-income households in affordable units included in the Township's fair share plan. Affordability assistance means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, assistance with emergency repairs and rehabilitation to bring deed restricted units up to code, and any other program authorized by the department. Affordability assistance may also include offering a subsidy to developers of inclusionary or 100% affordable housing developments or buying down the cost of low- or moderate-income units in the Township's fair share plan to make them affordable to very low-income households, including special needs and supportive housing opportunities.

Springfield Township will set aside \$100,000 for Affordability Assistance through June 30, 2035.

The Township's affordability assistance programs will include:

- Down payment assistance for buyers of affordable housing units when and if the existing for-sale affordable housing units are re-sold.
- First month's rent assistance for applicants that would be a new tenant in an affordable housing unit.
- Emergency repairs for supportive and special needs housing units in the fair share plan.
- Assistance with making low income units, very low income units.

(d) Administrative Expenses. In accordance with N.J.A.C. 5:99-2.4(a), no more than 20% of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008, to fund an RCA, shall be expended on administration. N.J.A.C. 5:99-2.4(b) and (c) provide that administrative expenses may include costs reasonably related to the determination of the fair share obligation and the development of the housing element and fair share plan and may include 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, 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. The proportion of a municipal employee's salary related to the MHL or RCA administrator functions and fees for required educational programs, may be paid as an administrative expense from the municipal affordable housing trust fund.

Springfield Township has been funding the planning and administration of its fair share affordable housing program over the last several years through its operating budget. Because development fee revenues in the Township are low, 20% of revenues is inadequate to cover the total costs to plan, implement, and administer the affordable housing compliance plan.

The Township anticipates spending \$33,000 from the AHTF on eligible administrative expenses; which will not fully cover the costs but will support implementation of the fair share program.

Administrative expenditures may vary from the projections set forth in the expenditure schedule on a yearly basis, based on revenues, the needs of the Township and the actual costs for monitoring, administering, and implementing the various programs, but will not exceed 20% of revenues.

- (e) Other Emergent Housing Opportunities. The Township acknowledges that there may be emergent opportunities or unanticipated funding needs over the course of the Fourth Round. Subject to the availability of funds, the Township will allocate funds and seek approval to fund any emergent affordable housing opportunities not included in the Township's fair share plan in accordance with N.J.A.C. 5:99-4.1.

4. Expenditure Schedule

The Township of Springfield intends to use affordable housing trust fund revenues for acquisition of land for affordable housing, to support the production of 100% affordable housing, for a market to affordable program, for extensions of expiring controls, for affordability assistance, for administration up to the 20% cap, and for other emergent affordable housing opportunities that may arise during the Fourth Round. The estimated expenditure schedule is as follows:

PROJECTS/ PROGRAMS	PROJECTED EXPENDITURES – AFFORDABLE HOUSING TRUST FUND											Total	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	1/1/35 to 6/30/35			
HOUSING ACTIVITY:													
1245 Old York Road 100% Affordable	0	0	13,849	0	0	0	0	0	0	0	0	0	13,849/TBD
Accessory Dwelling Unit (s)	0	0	20,000	0	0	0	0	0	0	0	0	0	20,000
AFFORDABILITY ASSISTANCE:	0	0	0	0	0	0	0	0	0	0	0	0	0
Affordability Assistance Program	10,000	10,000	10,000	10,000	20,000	10,000	10,000	10,000	10,000	10,000	10,000	0	100,000
ADMINISTRATION:	0	0	0	0	0	0	0	0	0	0	0	0	0
Administration of Affordable Housing	4,000	4,000	4,000	4,000	4,000	4,000	0	5,000	4,000	0	0	0	33,000
Other Emergent Opportunities	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	14,000	14,000	47,849	14,000	24,000	14,000	10,000	15,000	14,000	10,000	14,000	0	166,849

5. Excess or Shortfall of Funds

In the event of excess funds, AHTF revenues above the amount projected in this plan will be allocated as needed to support implementation of the fair share plan. It is anticipated that funds will be dedicated to the proposed 100% affordable development at 1245 Old Yor Road. AHTF revenues are not expected to cover the Township's funding needs and will be supplemented by bonding as set forth in the Fair Share Plan and the Township's settlement agreement.

Summary

The Township of Springfield intends to spend Affordable Housing Trust Fund revenues pursuant to N.J.A.C. 5:99 and consistent with the housing programs outlined in the Township's Housing Element and Fair Share Plan.

The Township had a balance of \$48,852 as of December 31, 2025 and anticipates an additional \$117,997 in revenues through June 30, 2035 for a total of \$166,849. During the Fourth Round compliance period through June 30, 2035, the Township proposes to spend \$33,849 for housing activities, \$100,000 for affordability assistance programs, and up to \$33,000 for administrative costs. The Township will amend the Spending Plan and seek approval for such amendments as circumstances may require.