

RESOLUTION NUMBER 2025-108

**BOROUGH OF PINE HILL
COUNTY OF CAMDEN**

**RESOLUTION OF THE BOROUGH OF PINE HILL
ADOPTING A SPENDING PLAN IN ACCORDANCE WITH THE
BOROUGH'S FOURTH ROUND AFFORDABLE HOUSING OBLIGATION**

WHEREAS, as part of the Borough of Pine Hill's Fourth Round Affordable Housing obligation it is necessary to update and adopt an Affordable Housing Spending Plan in accordance with the applicable affordable housing administrative regulations; and

WHEREAS, these regulations require Spending Plan to include, but not be limited to the following:

1. A projection of revenues anticipated from imposing fees on development, based on pending, approved and anticipated developments and historic development activity;
2. A projection of revenues anticipated from other sources, including payments in lieu of constructing affordable units, funds from the sale of units with extinguished controls, proceeds from the sale of affordable units, rental income, payments from Affordable Housing Program loans, and interest accrued;
3. A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
4. A description of the anticipated use of all affordable housing Trust Funds;
5. A plan to spend the Trust Fund balances in accordance with any implementation schedule within the Spending Plan and any approved settlement agreement;
6. The manner through which the municipality will address any expected or unexpected short fall if the anticipated revenues are not sufficient to implement the plan, and
7. The anticipated use of excess affordable housing Trust Funds, in the event more funds than anticipated are collected, or projected funds exceed the amount necessary for satisfying the municipal affordable housing obligation; and

WHEREAS, the Borough has prepared an Affordable Housing Spending Plan consistent with the Borough's Fourth Round Affordable Housing obligation which is attached hereto and incorporated by reference herein as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council of the Borough of Pine Hill, County of Camden, and State of New Jersey that for the reasons set forth in the Preamble hereinabove, it hereby approves the Borough's Affordable Housing Spending Plan attached hereto as Exhibit "A".

BE IT FURTHER RESOLVED that this Affordable Housing Spending Plan shall not take effect until approved by the Court and/or the Court's approved Program's Adjudicator and, if required, the Fair Shar Housing Center.

BE IT FURTHER RESOLVED this Resolution shall take effect immediately upon adoption.

BOROUGH OF PINE HILL

BY: 
CHRISTOPHER GREEN, MAYOR

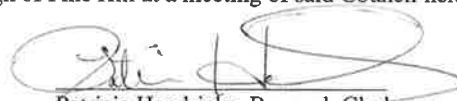
ATTEST:


PATRICIA HENDRICKS, BOROUGH CLERK

	WARRINGTON	ROBB	BURKE	CORRY-GAFT	WAKELEY	MORRIS
YES	✓	✓	✓	✓	✓	✓
ABSTAIN						
NO						
ABSENT						

CERTIFICATION

I, Patricia Hendricks certify the foregoing to be a true and correct copy of a Resolution duly adopted by the Borough Council of the Borough of Pine Hill at a meeting of said Council held on the 16th day of June 2025.


Patricia Hendricks, Borough Clerk

Pine Hill Borough Affordable Housing Trust Fund Spending

INTRODUCTION

Pine Hill Borough's Fourth Round Housing Element and Fair Share Plan was prepared 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) and the Fair Housing Act (N.J.S.A. 52:27D-301), section 3 of P.L.2024, c.2, and N.J.A.C. 5:93-1 et seq. A development fee ordinance was adopted by the municipality by Ord. No. 2008-826 and will need to be updated to remove references to 5:97 and other invalidated regulations. This spending plan is intended to project anticipated affordable housing trust fund revenues, expenditures, and the mechanisms for expenditure through December 31, 2035.

As of December 31, 2024, the Borough of Pine Hill had collected \$55,072. There had been no expenditures and of the \$55,072 collected \$117 is interest, \$377 classified as other income, and \$54,578 in development fees. All development fees and interest earned were deposited in a separate interest-bearing Affordable Housing Trust Fund at William Penn Bank, located at 701 Erial Road, Pine Hill Borough. These funds shall be spent in accordance with N.J.A.C. 5:93-8.16 as described in the sections below.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated through December 31, 2035, the Borough of Pine Hill considered the following:

(a) Development fees:

1. Residential and nonresidential projects which have been subject to development fees 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) Payment in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers.

To date, there are no actual or committed payments in lieu (PIL) of construction from developers.

(c) Other funding sources:

Pine Hill Borough does not anticipate collecting funds from other funding sources at the present time. Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies to be deposited in the Affordable Housing Trust fund are anticipated to come from development fees.

(d) Projected interest:

Affordable Housing Trust Fund interest is based on the current rate of interest of 0.07%.

Table 1 below shows the anticipated revenue to be generated from development fees. Pine Hill Borough projects that a total of \$180,422 (including interest) will be collected between January 1, 2025 and December 31, 2035 for affordable housing purposes, based on the assumptions described immediately following the table. These projections are based on extrapolations of historic trends. After adding in the funds currently in the account, the total projected revenue to be collected is \$235,494.

Table 1: Projected Revenues, Housing Trust Fund- 2020 through 2025

Year Source of Funds	2024	2025	2026-2027	2028-2029	2030-2031	2032-2033	2034-2035	2025-2035 Total
Projected Residential Development	STARTING BALANCE \$55,072 (12/31/24)	\$12,785	\$25,570	\$25,570	\$25,570	\$25,570	\$25,570	\$140,635
Projected Non-Residential Development		\$3,606	\$7,212	\$7,212	\$7,212	\$7,212	\$7,212	\$39,666
Interest		\$11	\$22	\$22	\$22	\$22	\$22	\$121
Total	\$55,072	\$16,402	\$32,804	\$32,804	\$32,804	\$32,804	\$32,804	\$235,494

Projected residential development is based on the construction of 4 new dwelling units per year. The 4 units were multiplied by \$213,076, the Borough's approximate equalized value for an average dwelling unit as indicated by the municipal tax assessor. This estimate of \$852,304 of new yearly construction was then multiplied by 0.015 (1.5% residential development fee).

Projected non-residential development is based on Borough trends regarding the collection of said development fees from years 2013- 2023, mirroring the timeline utilized for the projection of residential development fees . A total of \$36,055, as provided for in Affordable Housing Monitoring System (AHMS), was collected in non-residential development fees over that 10 year time frame, equating to an average yearly collection of \$3,606.

As indicated in the Table above, Pine Hill anticipates that a total of \$180,422 in revenue will be collected between January 1, 2025 and December 31, 2035 (\$140,635+\$39,666+\$121).

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The procedural sequence to be followed by Pine Hill Borough for the collection and distribution of development fee revenues is presented below.

(a) Collection of development fee revenues

Collection of development fee revenues shall comply with the Borough of Pine Hill's Development Fee Ordinance for both residential and non-residential development 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

A resolution recommending the expenditure of development fee revenues as set forth in this spending plan is adopted by the Planning and Zoning Board and forwarded to the Council. The Council then reviews the request for consistency with the spending plan and, by resolution, adopts the recommendation.

Upon adoption of the Council's resolution, funds can be released in accordance with the State approved spending plan. The Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the Council's resolution following approval of a request by resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Pine Hill Borough may use the monies in the trust fund for any of the following items, pursuant to N.J.A.C. 5:93-8.16(a) and (c):

- New construction of affordable housing and related development costs; eligible costs for inclusionary development shall be pro-rated based on the proportion of affordable housing units that are included in the development
- Extensions and/or improvements of roads and infrastructure to low and moderate income housing sites; costs for inclusionary development shall be pro-rated based on the proportion of affordable housing units that are included in the development
- Purchase and/or improvement of land to be used for low and moderate income housing
- Market-to-affordable programs
- Green building strategies designed to save money for low- and moderate-income households, either for new construction not funded by other sources, or as part of necessary maintenance or repair of existing units
- Maintenance and repair of affordable housing units
- Repayment of municipal bonds issued to finance affordable housing activity

- Affordability assistance to very low-, low- and moderate-income buyers and renters of affordable housing units to lower the cost of homeownership, subsidize closing costs, or reduce the capitalized basis of rent payments
- Affordability assistance to create very low-income and low-income units
- Any other activity as specified herein

Specific Expenditures

In accordance with N.J.A.C. 5:93-15.1, which allows any party to request a waiver from a specific requirement of COAH's rules, the Borough requests a waiver in the amount of \$117,747 (see table below). The reason for such a request is that the Borough has a surplus of units and will be satisfying its rehabilitation obligation through the reallocation of new construction units. As the spending plan is based on projections and the Borough currently has only \$55,072 in the Trust Fund, the Borough does not wish to bond for any program shortfall that is not required. Should the projection prove accurate, the Borough would seek future flexibility in order to determine programmatic needs.

4. AFFORDABILITY ASSISTANCE (N.J.A.C. 5:93-8.16(c))

At least 30% of collected development fees shall be used to create very low-income units and provide affordability assistance to low- and moderate-income households in affordable units included in the Fair Share Plan.

Table 2 below shows the minimum amount anticipated being available for affordability assistance to low- and moderate-income households, including very low-income households.

Table 2: Projected Minimum Affordability Assistance Requirement

Development fees collected from 7/17/08 to 12/31/2024		\$54,578
Development fees projected, 2025-2035	+	\$180,301
Interest earned, July 17, 2008 to December 31, 2024	+	\$117
Interest projected, 2025-2035	+	\$121
Other Income	+	377
Total	=	\$235,494
30 percent requirement	x .30 =	\$70,648
Less affordability assistance expenditures through 12/31/2024	-	\$0
Projected minimum affordability assistance expenditures	=	\$70,648
Projected minimum very low-income affordability assistance requirement	÷ 3 =	\$23,549

The Borough of Pine Hill will dedicate a minimum of \$70,648 from the affordable housing trust fund to render units more affordable, including at least \$23,549 to render units more affordable

to households earning no more than 30 percent of median income by region. Programs and activities for which funds will be spent will be determined from the following list:

- Affordability assistance to very low-, low- and moderate-income buyers and renters of affordable housing units to lower the cost of homeownership, subsidize closing costs and down payments, security deposits, emergency repairs funding and/or reduce the capitalized basis of the rent payments.
- Assistance with homeowners association or condominium fees and special assessments
- Affordability assistance to create very low-income and low-income units

5. ADMINISTRATIVE EXPENSES (N.J.A.C. 5:93-8.16(c))

Table 3: Projected Allowable Administrative Expense

Development fees + interest collected + other income, 7/17/08 thru 12/31/24	+	\$55,072
Projected development fees + projected interest, 2025-2035	+	\$180,422
Total		\$235,494
20 percent maximum allowed administrative expense	x .20 =	\$47,099
Less administrative expenditures through 12/31/2024	-	\$ 0
Projected maximum allowable administrative expenses, 12/31/24 through 12/31/2035	=	\$47,099

The Borough of Pine Hill projects that \$47,099 will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, which are subject to the 20 percent cap, include:

- Administrative costs to underwrite professional consulting fees relating to the preparation and implementation of the Borough's Fair Share Plan and any amendments thereto;
- Professional, legal, and court fees as they relate to affordable housing;
- Administrative fees related to the Municipally-sponsored new construction program; and
- Underwrite fees associated with the retention of a qualified administrative agent as may be found necessary.

The Borough will not expend for administrative purposes in excess of the formula in Table 3 above.

6. EXPENDITURE SCHEDULE

The Borough of Pine Hill anticipates using affordable housing trust fund revenues to the benefit of low-, moderate-, and very low-income households, as set forth in the table below. In preparing this spending plan, it should be noted that the Borough is committed to expending the funds in the municipal trust fund within four years of the date of collection or within four years after the Borough receives approval in compliance with P.L. 2024, C. 2.

Table 4: Projected Expenditure Schedule, 2025-2035

PROGRAMS	2025	2026-2027	2028-2029	2030-2031	2032-2033	2034-2035	Total
Affordability Assistance	-	\$14,130	\$14,130	\$14,130	\$14,129	\$14,129	\$70,648
Waiver Request	-	-	-	-	-	-	\$117,747
Administration	\$30,000	\$17,099	-	-	-	-	\$47,099
Total	\$30,000	\$31,229	\$14,130	\$14,130	\$14,129	\$14,129	\$235,494

7. SUMMARY

The Borough of Pine Hill intends to spend affordable housing trust fund revenues as approved by the Program and consistent with the programs described in the Borough's Housing Element and Fair Share Plan.

As of December 31, 2024, the Borough of Pine Hill has a balance of \$55,072 and anticipates an additional \$180,422 in revenues through December 31, 2035, for a total of \$235,494. The municipality will seek a \$117,747 waiver, and will dedicate \$70,648 towards affordability assistance and up to \$47,099 in administrative costs.

Table 5: Spending Plan Summary

REVENUES	
Balance as of December 31, 2024	\$ 55,072
Projected Revenue from December 31, 2025 through 2035	
1. Development fees	+ \$ 180,301
2. Payments in lieu of construction	+ \$ 0
3. Other funds	+ \$ 0
4. Interest	+ \$ 121
TOTAL PROJECTED REVENUE	= \$ 235,494
EXPENDITURES	
Affordability assistance for the creation of very low-income units	- \$ 70,648
Administration	- \$ 47,099
Waiver	- \$ 117,747
TOTAL PROJECTED EXPENDITURES	= \$ 117,747
REMAINING BALANCE	= 0