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March 13, 2026

VIA ECOURTS

Honorable John C. Porto, P. J. Cv.

Burlington County Superior Court

49 Rancocas Road

6 Mount Holly, New Jersey 08060

RE: In the Matter of the Application of the City of North Wildwood
Docket No.: CPM-L-27-25

Dear Judge Porto:

On behalf of the City of North Wildwood (“City” or “North Wildwood”), please be advised as follows. On March 5, 2026, this Court entered a Consent Order recommending approval of the City’s Housing Element and Fair Share Plan subject to various conditions.

First, the Order requires the City to provide an affordability assistance manual. See Exhibit 1. It is anticipated that the City will adopt this manual at its next meeting on Tuesday night, March 17.

Second, the Order requires the City to provide a Spending Plan that complies with N.J.A.C. 5:99. Attached please find a resolution adopting a Spending Plan that complies with N.J.A.C. 5:99 as well as the Spending Plan. See Exhibit 2. It is anticipated that the City will adopt this spending plan at its March 17 meeting.

Finally, the order provides that the City will update its Affordable Housing Ordinance, Development Fee Ordinance, Affirmative Marketing Plan, and other administrative documents in accordance with the regulations at N.J.A.C. 5:80-26.1, et seq, and N.J.A.C. 5:99 before March 15, 2026.

As to this final requirement, the City adopted the following ordinances at a special meeting this morning:

1. An Affordable Housing Ordinance governing the full array of requirements for affordable housing and a development fee ordinance. See Exhibit 3.

2. An ordinance rezoning the SC Shopping Center District. See Exhibit 4.
3. An ordinance rezoning the GA Garden Apartment District. See Exhibit 5.

Although the City scheduled a special meeting for today to adopt the above ordinances, the notice for the meeting did not allow the City to vote on the following resolutions. Consequently, the vote will take place next Tuesday night, March 17, on the following resolutions:

1. Resolution adopting affirmative marketing plan
2. Resolution adopting spending plan
3. Resolution adopting rehab manual
4. Resolution adopting affordability assistance manual

The City looks forward to addressing any questions or concerns the Court may have once it reviews this package of documents. We appreciate your attention to this matter.

Respectfully submitted,

Jeffrey R. Surenian

Jeffrey R. Surenian

cc: All Attorneys of Counsel (via ecourts)

Exhibit 1

RESOLUTION OF THE CITY OF NORTH WILDWOOD

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORTH WILDWOOD
ADOPTING THE AFFORDABILITY ASSISTANCE MANUAL PREPARED BY TRIAD
ASSOCIATES.**

WHEREAS, the City of North Wildwood is required to administer affordability controls and compliance measures in connection with its affordable housing program pursuant to N.J.S.A. 52:27D-329.2(c)(3); and

WHEREAS, the City has selected Triad Associates as its administrative agent to implement its affordable housing plan inclusive of its Affordability Assistance Program; and

WHEREAS, Triad Associates has prepared an Affordability Assistance Manual outlining policies, procedures, and administrative guidelines to support the implementation of affordability assistance plan; and

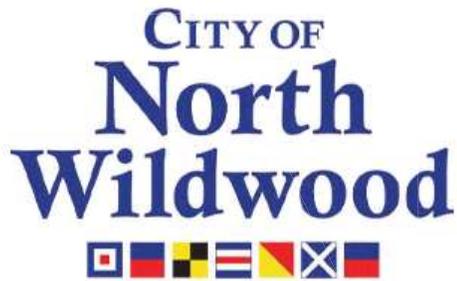
WHEREAS, the City Council has reviewed said Manual and finds it to be in the best interest of the City to formally adopt it; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Wildwood that the Affordability Assistance Manual prepared by Triad Associates is hereby adopted as the official policy and procedural guide for the administration of affordability assistance programs within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon passage, and the City Administrator, Affordable Housing Liaison, and all appropriate officials are authorized to implement the provisions of the Manual as necessary.

Certification

AFFORDABILITY ASSISTANCE PROGRAM MANUAL



*In Accordance
with the Uniform
Housing Affordability Controls*



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INTRODUCTION

The purpose of this Manual is to describe the policies and procedures of the Affordability Assistance Program. This Manual describes the basic content and operation of the various affordable assistance program components.

In accordance with the Fair Housing Act Adopted New Rules: N.J.A.C. 5:99 - 2.5, a municipality shall set aside a portion of its affordable housing trust fund for the purpose of providing affordability assistance to low- and moderate-income households in affordable units included in a municipal fair share plan, in accordance with N.J.A.C. 5:99-2.5. 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 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. N.J.A.C. 5:99-2.5.

I. TYPES OF AFFORDABILITY ASSISTANCE

The types of affordability assistance offered are listed below. The specifics of each type are summarized in Exhibit 1. No ongoing or monthly assistance options are currently available.

- A. EMERGENCY AND HEALTH/SAFETY REPAIRS** – Affordability Assistance funding is available to assist owners of low-and moderate-units to make emergency and/or health and safety related repairs that they do not have the financial resources to make otherwise. Funding will not be provided for standard maintenance items, work covered by the homeowner association, damage covered by homeowner insurance and/ or minor repairs such as small areas of peeling paint or other items that can be addressed easily by the homeowner. This funding will help preserve the affordable deed restricted housing stock and the residents who reside in the homes. Only units in the Municipality's Fair Share Plan (portfolio of affordable units) are eligible to apply. The maximum combined grant available to any one affordable home will be \$10,000.
- B. ENERGY EFFICIENCY PROGRAM (EEP)** - This program makes available zero interest forgivable loans to income-qualified Owners of deed restricted affordable homes in the Municipality. The following Energy Efficiency upgrades/replacements are eligible:
- HVAC or heat pump equipment;
 - Hot water heater;
 - Windows and doors

The maximum combined grant available to any one affordable home will be \$10,000. By replacing existing heating /cooling (HVAC) systems, windows, doors and/or hot water heaters with new, high

energy efficiency standards, the goal of this program is to save energy and reduce the energy-related costs for low- and moderate-income households, while maintaining a high level of comfort.

- C. CREATE ADDITIONAL VERY LOW-INCOME UNITS** – Affordability assistance may be utilized to create additional very low-income units by converting a moderate or low-income unit into a very low-income unit in new developments. The affordability assistance will result in additional very low-income units beyond what is required by state affordable housing rules. The Municipality may negotiate with developers of inclusionary developments to determine the appropriate amount of subsidy required to make the unit affordable to a very low-income household.
- D. FIRST MONTHS RENT ASSISTANCE (SECURITY DEPOSIT ASSISTANCE)** - This program makes available grants to income-qualified tenants of deed restricted affordable apartments in the Municipality in an amount equal to the amount of rent that the landlord charges for the first month of occupancy. The grant will be available to all new tenants of very low-, low- and moderate- income rental units. The Maximum grant will be \$2,500.00
- E. DOWN PAYMENT ASSISTANCE** - The Municipality Down Payment Assistance Program is designed to help low- and moderate-income households achieve the goal of homeownership. This program will provide a no interest, forgivable loan to homebuyers of deed restricted affordable properties within the Municipality to use as a principal down payment and/or closing costs. The goal of the program is to provide financial assistance to income-qualified homebuyers moving to the Municipality. The maximum grant is \$10,000.00
- F. HOMEOWNERSHIP ASSISTANCE PROGRAM** - The Program is designed to help low- and moderate-income homeowners retain stable finances. This program will provide a no interest, forgivable loan to homeowners of deed restricted affordable properties within the Municipality who are in arrears with mortgage payments, taxes, utility payments, special assessments, or homeowners' fees. Funds are made available through the Municipality's Affordable Housing Trust Fund. The goal of the program is to provide financial assistance to income-qualified homeowners. The maximum grant is \$10,000.00.

ELIGIBILITY

Applications submitted for affordability assistance will be provided on a first come-first-served basis according to the following criteria, as applicable:

1. There are affordability assistance funds remaining in the Housing Trust Fund for the year.
2. The applicant owns a deed restricted affordable unit in the Municipality that they maintain as their primary residence.
3. The applicant rents a deed restricted affordable unit in the Municipality.
4. The applicant has not received an affordability assistance in the past. (Only one award per household is permitted. This requirement can be waived on a case-by-case basis)
5. Applicants applying for repairs will require income certification at the time of application.

6. Applicants applying for repairs, must show proof that property taxes, municipal utilities and, if applicable, mortgage and homeowner association fee are paid current.
7. Applicants applying for repairs must show proof that the needed improvements will remediate a serious threat to the health and/or safety of the building's residents.

REPAYMENT TERMS & REPAYMENT AGREEMENT

When required, loans for properties participating in the Affordability Assistance Program shall be secured through a Mortgage and Mortgage Note in favor of the municipality and executed by the property owner. The Mortgage and Mortgage Note will be executed at closing. The original mortgage note shall be retained by the Municipality Clerk and kept in the unit file. The Administrative Agent will send the affordability assistance Mortgage requiring recording to the Municipality. Upon receipt the Municipality will file said document with the County Clerk's office.

When required, the following is the term of the mortgage:

All loans are zero interest, forgivable loans. If property is sold prior to the fifth year, the loan becomes due upon change in ownership. After the fifth year, the loan shall be forgiven by 20% each year, up to year 10. After year 10, the loan will be completely forgiven. Mortgages, the Control Period and five year time period for the Emergency Repair and Energy Efficiency grants begin on the date all work is completed and approved, and for the Down Payment Assistance and Homeownership Assistance Program the period begins on the date the funds are released.

II. PROGRAM ADMINISTRATION

The Administrative Agent will be responsible for administering the program. Questions about the Program should be directed the Administrative Agent. All forms are included in the appendices

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 Vineland, NJ 08360
 Phone: (856) 690-9590
 Fax: (856)-690-5622
www.triadincorporated.com
www.triadhousingprograms.com

1. EMERGENCY AND HEALTH/SAFETY REPAIRS PROGRAM PROCEDURES

- Homeowner submits application for assistance along with proof of work items needed. Refer to section on Requirements of Work Items.
- The Administrative Agent income certifies applicant and confirms property taxes, municipal utilities and, existing mortgage and homeowner association fee are paid current.
- Building inspector visits home to document the need for emergency repair and to prepare the work specifications to be reviewed by the appropriate code official.

- Upon eligibility determination and site visit– the Administrative Agent will send homeowner:
 - ✓ Eligibility letter (including paragraph on municipal contractor payment process to show to the contractor)
 - ✓ Work specifications
 - ✓ Instructions to obtain and provide proposal from 3 contractors (willing to be paid by municipality at job completion). Homeowner to identify contractor selected to do the job and provide that contractor’s business registration, Consumer Affairs home improvement license and certificate of insurance listing program as certificate holder. The homeowner will have to fund any amount over the program funding limit, payable directly to the contractor.
- Once homeowner provides the above items, the Administrative Agent will send the homeowner’s certificate of eligibility and contractor selection to the Municipality to pass a resolution authorizing funding assistance. Upon receipt of the approved municipal resolution, provide the homeowner the construction agreement for the homeowner and contractor to sign, as well as program mortgage & note for the homeowner to sign in front of notary and return to program.
- The Municipality is not a party to any contract between homeowner and contractor and the Municipality does not ensure that work performed by contractor is completed to satisfaction of homeowner. The construction agreement is between the homeowner and contractor; the Municipality is not a party to the agreement for purposes of any claims by the parties against one another.
- Upon construction completion, the homeowner will provide to the Program:
 - ✓ Written homeowner’s approval of satisfactory job completion.
 - ✓ Invoice from contractor identifying the work items they completed.
 - ✓ Copies of municipal permits and closed out permits via municipal Certificate of Approval for the applicable items installed.
- If the work does not require a permit, certification of work by the contractor will be accepted.
- The Administrative Agent will submit the contractor invoice to the municipality for payment and forward the mortgage to the municipality to file (record) with the county clerk.

Emergency and Health/Safety Repairs Program Eligibility Certification Process

In order to be eligible for assistance, households in each unit to be assisted must be determined to be income eligible. All adult members, 18 years of age and older, of the household must be fully certified as income-eligible before any assistance will be provided by the Program. The Administrative Agent will income qualify applicants in accordance with the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-

16.1 et seq., except for the regional maximum asset limit issued annually in the *Affordable Housing Regional Income Limits by Household Size*.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household's income are listed under Income. Those that are not considered as part of the household's income are listed under Not Income.

A. WHAT IS CONSIDERED INCOME

The following income sources are considered income and will be included in the income eligibility determination:

- Wages, salaries, tips, commissions
- Regularly scheduled overtime
- Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
- Social Security
- Pensions
- Disability
- Alimony
- Verified regular child support (received)
- Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
- Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
- TANF (Temporary Assistance For Needy Families)
- Net income from business or real estate
- Rent from real estate is considered income
- Any other forms of regular income reported to the Internal Revenue Service

B. WHAT IS NOT CONSIDERED INCOME

The following income sources are not considered income and will not be included in the income eligibility determination:

- Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income
- Part-time income of dependents enrolled as full-time students
- Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
- Food stamps
- Rebates or credits received under low-income energy assistance programs
- Payments received for foster care
- Relocation assistance benefits
- Income of live-in attendants
- Scholarships
- Student loans

- Personal property such as automobiles

C. HOW TO VERIFY INCOME

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months. Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- A signed copy of regular IRS Form 1040 (Tax computation form), 1040A or 1040EZ (as applicable) and state income tax returns filed for the last three years prior to the date of interview or notarized tax waiver letter for respective tax year(s)
- A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- If applicable, a letter or appropriate reporting form verifying monthly benefits such as:
 1. Social Security or SSI – Current award letter or computer printout letter
 2. Unemployment – verification of Unemployment Benefits
 3. Welfare -TANF current award letter
 4. Disability - Worker’s compensation letter or
 5. Pension income (monthly or annually) – a pension letter
 6. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court (includes separation agreement or divorce papers) or education scholarship/stipends – current award letter;
- Reports from the last two consecutive months that verify income from assets to be submitted by banks or other financial institutions managing savings and checking accounts (bank statements and passbooks), trust funds, money market accounts, certificate of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates). Examples include copies of all interest and dividend statements for savings accounts, interest and non-interest-bearing checking accounts, and investments;

- Evidence or reports of income from directly held assets, such as real estate or businesses owned by any household member 18 years and older.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
- Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

D. ADDITIONAL INCOME VERIFICATION PROCEDURES

1. STUDENT INCOME

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35-hour workweek.

2. INCOME FROM REAL ESTATE

If real estate owned by an applicant for affordable housing is a rental property, the rent is considered income. After deduction of any mortgage interest, real estate taxes, property owner insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

If an applicant owns real estate, other than primary residence, the Program Case Manager should determine the imputed interest from the value of the property. The Program Case Manager should deduct outstanding mortgage debt from the documented market value established by either a market value appraisal or by applying the property tax equalization market value method, as well as real estate commission if property was to be sold. Based on current money market rates, interest will be imputed on the determined value of the real estate.

E. OTHER ELIGIBILITY REQUIREMENTS

Applicant to submit the following in the application package:

- Recorded deed to the property to be assisted;
- If you are a widow or widower, copy of Death Certificate should be included;
- Receipt for property taxes paid current.
- Signed Release form to verify eligibility determination from third party sources;
- Proof that all mortgage payments are current; and
- Copy of any and all other liens recorded against the property.

- Personal identification (a copy of any of the following Driver's License, Passport, Birth Certificate, Social Security Card, Adoption Papers, Alien Registration Card, etc.) for each household member.

F. REQUIREMENTS OF UTILITIES & TAXES PAID CURRENT

All applicants' water/sewer and tax accounts must be paid current.

G, REQUIREMENTS OF WORK ITEMS

Homeowner has to demonstrate the existing problem has been inspected and the threat verified by one of the following:

- The appropriate local construction official;
- A local health official; or
- Systems or components that have been red tagged by utility company and/or verified non-functional by a qualified service technician.

This is done at time of submission of the program application.

G. ELIGIBILITY CERTIFICATION

After Administrative Agent Program staff determines that the household is income eligible and meets all other eligible requirements, the Administrative Agent Program Manager will complete and sign the Eligibility Certification. This certification is valid for six months starting from date of eligibility certification. A Construction Agreement must be signed within this time period. If not, the Program Manager must reevaluate the household's eligibility.

- The Municipality Emergency Repair Assistance Program will provide a maximum loan of \$10,000.00. to each eligible homeowner. If property is sold prior to the fifth year, the loan becomes due upon change in ownership. After the fifth year, the loan shall be forgiven by 20% each year, up to year 10. After year 10, the loan will be completely forgiven.

2. ENERGY EFFICIENCY UPGRADES

A. ELIGIBILITY CERTIFICATION

After the Administrative Agent Program staff determines that the household is income eligible and meets all other eligible requirements, the Administrative Agent Program Manager will complete and sign the Eligibility Certification. This certification is valid for six months starting from date of eligibility certification. A Construction Agreement must be signed within this time period. If not, the Program Manager must reevaluate the household's eligibility.

- The Municipality Energy Efficiency Program will provide a maximum loan of up to \$15,000 to each eligible homeowner. If property is sold prior to the fifth year, the loan becomes due upon

change in ownership. After the fifth year, the loan shall be forgiven by 20% each year, up to year 10. After year 10, the loan will be completely forgiven.

3. CREATION OF ADDITIONAL VERY LOW-INCOME UNITS PROGRAM PROCEDURE

- A. Terms to be negotiated between landlord/developer and the Municipality.
- B. Upon approval of terms by both parties, Municipal attorney prepares Resolution authorizing award and terms, including changes in unit designation(s) from conversion of moderate and low-income units to very low-income units; revisions to restrictive covenant language, etc. Administrative Agent shall assist attorney upon request. See Exhibit 1.
- C. Municipality adopts Resolution.
- D. Municipality sends assistance directly to landlord/developer.
- E. Administrative Agent records assistance on master reporting spreadsheet.

4. FIRST MONTHS RENT ASSISTANCE PROCEDURES

The Municipality will designate a portion of all development fees collected and interest earned towards a First Months Rent Grant program. This grant will be available to an income eligible renter with good credit standing who qualifies for a low- or moderate-income rental unit in one of the Municipality's deed restricted units or its Rental Housing Rehabilitation Program as per the following guidelines:

- The First Months Rent will be in the form of a grant equal to the first month's rental amount determined by the landlord and will be paid to the landlord on behalf of the tenant.
- The Municipality's First Months Rent Affordability Assistance Program will be administered by the Administrative Agent. After an applicant is income qualified by the Administrative Agent pursuant to New Jersey Fair Housing rules and UHAC, or cannot be qualified due to a need for assistance, an affordability assistance application will be completed and forwarded with all necessary documentation to the Administrative Agent. The affordability assistance recipient will sign a contract with municipality which states the amount of funds granted, procedures and duration and conditions of affordability assistance. All tenants of affordable units within the Municipality will be advised of the availability of the Municipality's Affordability Assistance Program. An income eligible occupant or applicant for an affordable unit within the municipality may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.
- If the unit is a Rental Housing Rehabilitation Program unit, and a 10-year deed restriction was recorded on the unit at the completion of rehabilitation work and the restriction is still in effect at the time of the tenant's application for First Months Rent.
- The Municipality First Months Rent Program will provide a maximum grant in the amount of the first month's rent, not to exceed \$2,500.00.

5. DOWN PAYMENT ASSISTANCE PROCEDURES

The Municipality Down Payment Assistance Program is designed to help low- and moderate-income households achieve the goal of homeownership. This program will provide a no interest, forgivable loan to homebuyers of deed restricted affordable properties within the Municipality to use as a principal down

payment and/or closing costs. The goal of the program is to provide financial assistance to income-qualified homebuyers moving to the Municipality.

ELIGIBLE PARTICIPANTS

Applicants for this loan program must be income-qualified by the Administrative Agent for the Municipality and must be under contract to purchase a deed restricted home in the Municipality. This means that the applicant must have made application to buy a home, been income-qualified and selected to purchase an affordable home within the Municipality, and signed a contract with the seller.

ELIGIBLE PROPERTIES

Properties must be within the Municipality and be deed restricted in accordance with the U.H.A.C. guidelines. The price of the home will be limited by the deed restriction to be affordable to either a low or moderate-income household.

LEVEL OF FINANCING

The Municipality Down Payment Assistance Program will provide a maximum loan of \$10,000.

TERMS AND CONDITIONS

The loan is given as a zero-interest loan. If property is sold prior to the fifth year, the loan becomes due upon change in ownership. After the fifth year, the loan shall be forgiven by 20% each year, up to year 10. After year 10, the loan will be completely forgiven. The loan will be secured by a second mortgage and note.

Recipients of Down Payment Assistance Program funds are required to maintain the unit as their principal residence for the duration of the loan period and abide by all other requirements of the deed restriction and UHAC. In the event the property is sold or disposed of during the term of the loan, the outstanding loan amount in accordance with the schedule above shall be immediately due and payable to the Municipality according to the terms of the Mortgage and Mortgage Note.

SECURITY INSTRUMENTS

Loans for all properties participating in the Down Payment Assistance Program shall be secured through a Mortgage and Mortgage Note (see Exhibit 3) in favor of the municipality executed by the property owner. The Municipality will record said documents with the County Clerk's office upon the completion of the closing of title. The Mortgage and Mortgage Note will be executed at closing. The original mortgage note shall be retained by the Municipality Clerk and kept in the unit file.

6. HOMEOWNERSHIP ASSISTANCE PROCEDURES

The Program is designed to help low and moderate-income homeowners retain stable finances. This program will provide a no interest, forgivable loan to homeowners of deed restricted affordable properties within the Municipality who are in arrears with mortgage payments, taxes, utility payments, special assessments, or homeowners' fees. Funds are made available through the Municipality's Affordable Housing Trust Fund. The goal of the program is to provide financial assistance to income-qualified homeowners. This program will provide a no interest, forgivable loan to homebuyers of deed restricted affordable properties within the Municipality.

ELIGIBLE PARTICIPANTS

Applicants for this loan program must be income-qualified by the Administrative Agent for the Municipality and must be the owner of an affordable housing unit in the Municipality.

ELIGIBLE PROPERTIES

Properties must be within the Municipality and be deed restricted in accordance with the U.H.A.C. guidelines.

LEVEL OF FINANCING

The Municipality Homeownership Assistance Program will provide a maximum loan of \$10,000.

TERMS AND CONDITIONS

The loan is given as a zero-interest loan. If property is sold prior to the fifth year, the loan becomes due upon change in ownership. After the fifth year, the loan shall be forgiven by 20% each year, up to year 10. After year 10, the loan will be completely forgiven. The loan will be secured by a second mortgage and note.

Recipients of Homeownership Assistance Program funds are required to maintain the unit as their principal residence for the duration of the loan period and abide by all other requirements of the deed restriction and UHAC. In the event the property is sold or disposed of during the term of the loan, the outstanding loan amount in accordance with the schedule above shall be immediately due and payable to the Municipality according to the terms of the Mortgage and Mortgage Note.

SECURITY INSTRUMENTS

Loans for all properties participating in the Homeownership Assistance Program shall be secured through a Mortgage and Mortgage Note in favor of the municipality executed by the property owner. The Municipality will record said documents with the County Clerk's office upon the completion of appropriate forms. The Mortgage and Mortgage Note will be executed at closing. The original mortgage note shall be retained by the Municipality Clerk and kept in the unit file.

Exhibit 2

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORTH WILDWOOD, COUNTY OF CAPE MAY, SEEKING APPROVAL OF AN UPDATED SPENDING PLAN.

WHEREAS, the City of North Wildwood (hereinafter “City” or “North Wildwood”) adopted a Development Fee Ordinance, which established standards for the imposition and collection of development fees; and

WHEREAS, in addition, the New Jersey Legislature adopted the Statewide Nonresidential Development Fee Act (SNDFA) authorizing and directing municipalities to impose a fee on nonresidential development, subject to specified exceptions; and

WHEREAS, the City imposed and collected fees in accordance with its Development Fee Ordinance and the SNDFA; and

WHEREAS, the City deposited fees collected in an affordable housing trust fund; and

WHEREAS, in December of 2025, the New Jersey Department of Community Affairs (“DCA”) provided regulations governing how affordable housing fees may be spent; and

WHEREAS, the City wishes to demonstrate its commitment to spending trust fund monies in accordance with current laws; and

WHEREAS, accordingly, to comply with the new DCA regulations that only became available in December of 2025, the City’s affordable housing planner has prepared a Spending Plan attached hereto; and

WHEREAS, the City has reviewed the Spending Plan and finds that it is in the best interest of the City to adopt it and seek approval of same in conjunction with efforts to secure approval of its HEFSP as amended.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Wildwood, County of Cape May, State of New Jersey, as follows:

1. The City Council of the City of North Wildwood hereby adopts the Spending Plan attached hereto.
2. The City Council hereby directs its professionals to seek approval of the Spending Plan in conjunction with their efforts to secure approval of the City’s HEFSP as amended.
3. The City Council authorizes its professionals to provide such clarifications or supplemental documents as they deem fit in their efforts to secure approval of the Updated Spending Plan
4. This Resolution shall take effect immediately upon adoption, according to law.

CERTIFICATION

Amended Fourth Round Spending Plan – City of North Wildwood

City of North Wildwood, Cape May County
Amended Affordable Housing Trust Fund Spending Plan
Fourth Round (2025 – 2035)

INTRODUCTION AND BACKGROUND

In June of 2025, the City of North Wildwood prepared and filed a Housing Element and Fair Share Plan in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (N.J.S.A. 52:27D-301) and consistent with the affordable housing regulations set forth at N.J.A.C. 5:80-26 et seq. and N.J.A.C. 5:99 et seq. That Housing Element and Fair Share Plan included a Spending Plan consistent with the laws that existed at that time.

In December 2025, the New Jersey Department of Community Affairs (DCA) promulgated new regulations establishing new standards for trust funds created pursuant to the Fair Housing Act. See N.J.A.C. 5:99 et seq

This Amended Affordable Housing Trust Fund Spending Plan is intended to conform the Township’s Spending Plan to the new DCA regulations.

The City has adopted a development fee ordinance creating a dedicated revenue source for affordable housing programs. The affordable housing development fee ordinance established the City’s Affordable Housing Trust Fund, which is an interest bearing account dedicated to providing funding for affordable housing mechanisms as outlined in the City’s Housing Plan Element and Fair Share Plan. All development fees, payments in lieu of construction, and other funds related to affordable housing received by the City will be deposited into this account.

This Spending Plan provides estimates of projected funding, proposals for expenditure in support of the Fair Share Plan and the City’s affordable housing programs, and provides guidance to ensure that funds are spent in accordance with the requirements of N.J.A.C. 5:99-2. In accordance with N.J.S.A. 52:27D-329.2 and -329.3, all funds deposited into the City’s Affordable Housing Trust Fund are to be spent within 4 years of their receipt. The City will provide annual monitoring to the AHMS as administered by the NJDCA.

As of January, 2026, the City has a balance of \$0.00 in the Affordable Housing Trust Fund.

1. REVENUES FOR CERTIFICATION PERIOD

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 trust fund monies will be deposited in a separate interest-bearing affordable housing trust fund account for the purposes of supporting and providing affordable housing. These funds have been and shall be spent in accordance with N.J.A.C. 5:99-2, as described in the sections that follow.

To calculate a projection of revenue anticipated through 2035, the following have been considered:

(a) Development fees.

1. Residential and non-residential construction projects that are subject to the development fee requirements, (Affordable Housing Development Fees) and fees for developments that have already received approval by the City’s Planning and Zoning Boards.
2. Applications for residential and non-residential construction projects that are currently pending and will be heard by the Planning Board and are likely to receive building permits and/or certificates of occupancy before 2035; and
3. Residential and non-residential construction projects that are likely to occur before 2035 based on available land, economic conditions, and historical rates of development.
4. For the purposes of this plan, estimated development fees are \$175,000 annually for the remainder of the reporting period. This is based on estimates of the value of construction that has been permitted annually between 2019 and 2023 according to data from NJDCA for both residential and non-residential construction.

(b) Payment in lieu (PIL) of on-site construction.

Payments in lieu (PIL) of construction from residential developers that have or are expected to enter into an agreement with the City to make a specific payment to the Affordable Housing Trust Fund in lieu of providing affordable housing units onsite.

At this time, the City is not anticipating any payments in lieu of construction.

(c) Other funding sources.

Potential funds from other sources include the sale of units with extinguished controls, repayment of affordable housing program loans (such as rehabilitation or down payment assistance), rental income, and proceeds from the sale of affordable units.

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Any such payments will be accepted, but at this time the City is not anticipating any alternative sources of revenue, and no projections of revenue derive from such payments.

(d) Projected interest.

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate. The interest is conservatively estimated to be approximately \$2,000 per year. All interest earned on the account shall be used only for the purposes of affordable housing.

Projected Revenues 2025 - 2035												
Starting Balance (12/31/2024)	\$0.00											
SOURCE OF FUNDS	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
(a) Development Fees:	\$85,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$1,745,000
1. Approved Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
2. Development Pending Approval	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
3. Projected Development	\$85,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$1,745,000
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) Other sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(d) Interest on Total Account Balance	\$1,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$20,000
Total	\$86,000	\$177,000	\$1,765,000									

North Wildwood projects a total revenue of \$1,765,000.00 to be collected from June 2025 through July 2035.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

North Wildwood will follow the following procedures for the collection and distribution of affordable housing trust fund revenues.

(a) Collection of fees and payments:

1. Development fees shall be collected consistent with the City's development fee ordinance for both residential and non-residential projects in accordance with the N.J.A.C. 5:99-1 et seq and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).
2. Payments-in-lieu shall be collected as set forth in an Agreement between the City and the Developer. Typically, payments will be made in no more than four (4) installments as the development progresses and the entire payment shall be made prior to the issuance of the final Certificate of Occupancy.

(b) Distribution of development fee revenues:

1. The Municipal Housing Liaison and City Staff coordinate compliance and implementation of the Spending Plan as it relates to the Fair Share Plan; and coordinate recommendations for expenditure of funds in support of compliance or implementation of the Spending Plan.
2. The City Administrator authorizes staff to prepare a Resolution that includes an explanation of how the expenditure advances the City's affordable housing objectives, implements some aspect of the Fair Share Plan, and is consistent with the Spending Plan.
3. The Municipal Housing Liaison and the CFO reviews and authorizes the expenditure.
4. The Municipal Housing Liaison and the CFO and Municipal Treasurer maintain accounting of expenditures.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS(a) New construction, extension of controls, and conversion programs and projects (N.J.A.C.5:99-2.3)

Rehabilitation Program: \$500,000

The City currently participates in a joint Rehabilitation Program available to properties North Wildwood, Wildwood City, and Wildwood Crest. The program is currently funded through Community Development Block Grants. The City will utilize AHTF monies to supplement this program at an amount sufficient to cover the anticipated costs of at least 39 units, which is the City's Fourth Round rehabilitation obligation. At a proposed \$500,000, this would be sufficient to provide an average of \$12,800 per unit for rehabilitation.

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

A municipality 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 municipality's fair share plan pursuant to N.J.S.A. 52:27D-329.1. Affordability assistance for very-low-income households 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 a municipal fair share plan to make them affordable to very low-income households, including special needs and supportive housing opportunities. A municipality may contract with a private or public entity to administer any part of its housing element and fair share plan, including the requirement for affordability assistance, or any program or activity for which the municipality expends development fee proceeds.

North Wildwood plans to dedicate \$379,500.00 from the affordable housing trust fund to provide affordability assistance. This amount is consistent with the Fair Housing Act as amended in March of 2024, and the new DCA regulations.

In accordance with N.J.A.C. 52:27D-329.2, the programs considered to provide affordability assistance to low and moderate income households may include the following:

1. Down Payment Assistance Program;
2. Security Deposit Assistance Program;
3. Low interest loans;
4. Maintenance expenses for condominiums;
5. Rental assistance;
6. Conversion of moderate or low income units into very low income units;

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7. Any other program authorized by the Department of Community Affairs (NJDCA)

(c) Administrative Expenses (N.J.S.A.52:27D-329.2.8.c(5))

Administrative expenses are subject to a twenty percent (20%) cap. The table below demonstrates the maximum amount of Affordable Housing Trust Fund revenue that is anticipated to be available for administrative expenses through 2035.

Administrative Expense Calculation	
Actual development fees through 12/31/2024	\$0.00
Actual interest through 12/31/2024	\$0.00
Development fees projected 2025-2035	+ \$1,745,000.00
Less Payment in Lieu Funds	- \$0.00
Total	= \$1,745,000.00
Calculate 20 percent	x .20 = \$349,000.00
Less administrative expenditures through 12/31/2024	- \$0.00
Projected maximum allowable for administrative expenses 06/30/2025 through 06/30/2035	= \$349,000.00

North Wildwood projects that \$349,000.00 will be available for administrative expenses through 2035.

N.J.A.C. 5:99-2.4 (b) and (c) provide that trust fund monies can be spent on administrative expenses for the following expenses.

(b) Administrative expenses may include costs reasonably related to the determination of the fair share obligation and the development of a municipal 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, including, but not limited to, the costs to the municipality of resolving a challenge pursuant to the Program.

(c) Administrative expenses may also include 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.

Accordingly, projected administrative expenditures, subject to the 20 percent cap, are as follows:

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1. Wait list management and general administration.
2. Administration of Down Payment Assistance Program by Administrative Agent
3. Establishment and Administration of Homeowner Association Fee Assistance Program by Administrative Agent
4. Establishment and Administration of the Very Low-Income Assistance program
5. Establishment, Implementation, Administration of Market to Affordable program
6. Fees for the sale of affordable units that are priced such that 3% of sale price is less than the Administrative Agent's minimum fee (City pays the difference).
7. Preparation and Review of Affordable Housing Agreements, Resolutions, Deed Restrictions for affordable housing developments.
8. Preliminary engineering analysis for affordable housing sites
9. GIS mapping and analysis related to preparation and implementation of the Fair Share Plan.
10. Expenses for the review and implementation of the Fourth Round Housing Element and Fair Share Plan, including actions and efforts reasonably related to the determination of its fair share obligation and the development of housing element and fair share plan, and for expenses that are reasonably necessary for compliance with the process of the program, including but not limited to the costs to the municipality of resolving a challenge under the program.
11. 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 in accordance with N.J.A.C. 5:99-2.4(d).

The City reserves the right to pay all administrative expenses permitted by law to this component of the trust fund.

(d) Emerging Compliance Mechanisms (N.J.A.C. 5:99-2.3(a)(14)-(15)):

The City of North Wildwood will give consideration to mechanisms not currently identified in the May 2025 Housing Element and Fair Share Plan as new and unforeseen opportunities to provide additional affordable housing arise in the future. This may include providing funding assistance to a new 100% affordable project that has yet to be proposed by a developer, additional rehabilitation of existing deficient housing units, development of special needs housing, funding market to affordable conversions, or reallocating additional projected revenues towards affordability assistance programs.

The City projects \$532,500 of flexible funds that may be available through the reporting period to be used for emerging mechanisms.

City of North Wildwood – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

4. EXPENDITURE SCHEDULE

North Wildwood intends to use affordable housing trust fund revenues for the creation and maintenance of affordable housing units, for affordability assistance, and for administration as set forth above. The City will commit funds to specific programs as outlined above, or the plan will be amended.

Projected Expenditure Schedule 2025-2035												
Programs	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000
Affordability Assistance	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$37,950	\$379,500
Emerging Mechanisms		\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$53,250	\$532,500
Administration	\$0	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$35,300	\$353,000
Total	\$87,950	\$176,500	\$88,550	\$1,765,000								

5. EXCESS OR SHORTFALL OF FUNDS

The City plans to implement the programs set forth in the Fourth Round Fair Share Plan and the Spending Plan incrementally with the funds that are available; and will ensure that the collected funds are spent consistent with the applicable rules and regulations and in a manner that advances the City's affordable housing goals. The purpose of the Spending Plan is to plan for expenditure of monies in the Affordable Housing Trust Fund. N.J.A.C. 5:99-5.6(c)(1) requires that the spending plan address the "manner through which the municipality will address any expected or unexpected shortfall if the anticipated revenues are not sufficient to implement the plan". North Wildwood will assess the status of the AHTF and implementation of the Fair Share Plan annually.

In the event more funds than anticipated are collected and the available funds exceed the amount necessary to implement the Fair Share Plan, the excess funds may be used to expand the programs described above.

City of North Wildwood – Fourth Round Affordable Housing Trust Fund Spending Plan **DRAFT**

SUMMARY

The City of North Wildwood intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99-2.2 through 2.8 and consistent with the programs outlined in the Fourth Round Housing Element and Fair Share Plan dated May 2025 and this Spending Plan.

North Wildwood anticipates collection of \$1,765,000.00 in revenues through 2035. The City has provided a plan to spend projected revenues on specific projects and programs. The exact timing of additional revenues is uncertain, but the estimate is realistic based on development trends in the City. The Spending Plan will be amended if needed to adjust for changed needs or emergent opportunities for affordable housing production or assistance.

Table 5. Spending Plan Summary	
Balance as of December 31, 2025	\$0.00
Projected Revenue 2025-2035	\$1,765,000.00
Development Fees	\$1,745,000.00
Other Funds	\$0.00
Interest	\$20,000.00
Payment in Lieu	\$0.00
TOTAL REVENUE	\$1,765,000.00
Expenditures	
Rehabilitation	\$500,000.00
Affordability Assistance	\$379,500.00
Emerging Mechanisms	\$532,500.00
Administration	\$353,000.00
TOTAL PROJECTED EXPENDITURES	\$1,765,000.00
REMAINING BALANCE	\$0.00

Exhibit 3

**CITY OF NORTH WILDWOOD
COUNTY OF CAPE MAY, NEW JERSEY**

ORDINANCE NO. 2002

**AN ORDINANCE AMENDING CHAPTER 276 “LAND
DEVELOPMENT” TO AMEND ARTICLE XIV “AFFORDABLE
HOUSING” TO ESTABLISH REQUIREMENTS FOR
AFFORDABLE HOUSING DEVELOPMENT AND
DEVELOPMENT FEES**

WHEREAS, the City of North Wildwood (the “City” or “North Wildwood”) filed a declaratory judgment action pursuant to N.J.S.A. 52:27D-301 *et seq.* (the “Fair Housing Act”) on January 21, 2025; and

WHEREAS, the Court entered an order on March 27, 2025 setting the City’s Present Need of 39 units and a Prospective Need of 26 units, and directing the City to file a Housing Element and Fair Share Plan (“HEFSP”) by June 30, 2025; and

WHEREAS, the City filed its HEFSP on June 19, 2025 (“Adopted HEFSP”); and

WHEREAS, on August 26, 2025, Fair Share Housing Center (“FSHC”) filed a letter with the Program filed a letter with the Program, an entity created by the Fair Housing Act; raising questions about the City’s Plan; and

WHEREAS, on or about November 17, 2025, the City filed a response to the request for information by FSHC; and

WHEREAS, on November 18, 2025, the Honorable John Porto entered a Case Management Order fixing various dates for certain actions to be achieved including March 15, 2026 as the date by which all ordinances and resolutions needed to implement the Plan be filed; and

WHEREAS, one such ordinance needed to implement the Plan is an Affordable Housing ordinance that must comply with the new regulations of the New Jersey Housing and Mortgage and Finance Agency (HMFA), and

WHEREAS, on November 6, 2025, the HMFA adopted new regulations for the Uniform Housing and Affordability Controls (commonly referred to as “UHAC”) and those regulations only became available to the public on December 15, 2025; and

WHEREAS, a group of experts sought to create a prototype ordinance to implement the new UHAC regulations thereafter and that prototype, prepared in haste, only became available recently; and

WHEREAS, North Wildwood is seeking to tailor the prototype to the City in the limited time available to it; and

WHEREAS, the within ordinance represents North Wildwood’s best efforts to craft an appropriate ordinance responsive to the new HMFA regulations.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the City of North Wildwood, Cape May County, New Jersey, that:

Section One. Ordinance No. 1960, adopted on February 18, 2025, codified as Chapter 276, Article XIV, is hereby repealed and deleted in its entirety and replaced by the following:

**Article XIV
Affordable Housing**

§276-90. Requirements.

A. Introduction & Applicability.

1. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the City of North Wildwood consistent with the provisions outlined

in P.L. 2024, Chapter 2, including the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 *et seq.*, the regulations promulgated pursuant thereto by the New Jersey Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 *et seq.*, (“Affordable Housing Rules”), and the Housing and Mortgage Finance Agency’s (HMFA) Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1 *et seq.* (commonly referred to as “UHAC”) as reflected in the Housing Element and Fair Share Plan (“HEFSP”) adopted on June 19 2025 and amended in March 2026.

2. This Ordinance is intended to ensure that very low-, low- and moderate-income units (“affordable units”) are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the provisions set forth below in item 5.c. below.
3. The City of North Wildwood Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, *et seq.* The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L. 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.
5. Applicability
 - a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the City’s most recently adopted HEFSP.
 - b. This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.
 - c. Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus, pursuant to the current Low Income Housing Tax Credit program, a 15-year extended-use period, for a total of not less than 45 years.
6. The UHAC standards shall not apply to the exclusions referenced in N.J.A.C.5:80-26.1
7. Nothing herein is intended to modify the City’s right “to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions” in accordance with N.J.S.A. 52:27D-311.m.

B. Definitions.

As used herein the following terms shall have the following meanings:

“Accessory apartments” means a residential dwelling unit that provides complete independent living facilities with a private entrance for one or more persons, consisting of provisions for living, sleeping, eating, sanitation, and cooking, including a stove and refrigerator, and is located within a proposed preexisting primary dwelling, within an existing or proposed structure that is an accessory to a dwelling on the same lot, constructed in whole or part as an extension to a proposed or existing primary dwelling, or constructed as a separate detached structure on the same lot as the existing or proposed primary dwelling. Accessory apartments are also referred to as “accessory dwelling units”.

“Act” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 *et seq.*

“Adaptable” means constructed in compliance with the technical design standards of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the “State

Uniform Construction Code Act,” P.L.1975, c. 217 (C.52:27D-119 *et seq.*) and in accordance with the provisions of section 5 of P.L.2005, c. 350 (C.52:27D-123.15).

"Administrative agent" means the entity approved by the Division responsible for the administration of affordable units, in accordance with N.J.A.C. 5:99-7, and UHAC at 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. 5:80-26.16.

"Affirmative Marketing Plan" means the municipally adopted plan of strategies from which the administrative agent will choose to implement as part of the Affirmative Marketing requirements.

"Affirmative Marketing Process" or "Program" means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low- low- and moderate-income units.

"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 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, pursuant to N.J.A.C. 5:99-2.5.

"Affordability average" means an average of the percentage of regional median income at which restricted units in an affordable 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 housing development" means a development included in a municipality's housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP.

"Affordable Housing Dispute Resolution Program" or "the Program" refers to the dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

"Affordable Housing Monitoring System" or "AHMS" means the Department's cloud-based software application, which shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

"Affordable Housing Trust Fund" or "AHTF" means that non-lapsing, revolving trust fund established in DCA pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes. All references to the "Neighborhood Preservation Non-lapsing Revolving Fund" and "Balanced Housing" mean the AHTF.

"Affordable unit" means a housing unit proposed or developed pursuant to the Act, including units created with municipal affordable housing trust funds.

"Age-restricted housing" means a housing unit that is designed to meet the needs of, and is exclusively for, an age-restricted segment of the population such that: 1. All the residents of the development where the unit is situated are 62 years or older; 2. At least 80 percent of the units are occupied by one person that is 55 years or older; or 3. The development has been designated by the Secretary of HUD as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by P.L.1983, c. 530 (C.55:14K-1 *et seq.*).

"Assisted living residence" means a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to ensure 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.

"Barrier-free escrow" means the holding of funds collected to adapt affordable unit entrances to be accessible in accordance with N.J.S.A. 52:27D-311a et seq. Such funds shall be held in a municipal affordable housing trust fund pursuant to N.J.A.C. 5:99-2.6.

"Builder's remedy" means court-imposed site-specific relief for a litigant who seeks to build affordable housing for which the court requires a municipality to utilize zoning techniques, such as mandatory set-asides or density bonuses, including techniques which provide for the economic viability of a residential development by including housing that is not for low- and moderate-income households.

"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.

"CHOICE" means the no-longer-active Choices in Homeownership Incentives for Everyone Program, as it was authorized by the Agency.

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

"Commissioner" means the Commissioner of the Department of Community Affairs.

"Compliance certification" means the certification obtained by a municipality pursuant to section 3 of P.L. 2024, c. 2 (C.52:27D-304.1), that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a "judgment of compliance" or "judgment of repose." The term "compliance certification" shall include a judgment of repose granted in an action filed pursuant to section 13 of P.L. 1985, c. 222 (C.52:27D-313).

"Construction" means new construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217 (N.J.S.A. 52:27D-119 *et seq.*).

"County-level housing judge" means a judge appointed pursuant to section 5 at P.L. 2024, c. 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.

"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.

"Department" means the New Jersey Department of Community Affairs.

"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.

"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 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 the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

"Development fee" means money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

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

"Division" means the Division of Local Planning Services within the Department of Community Affairs.