

**Amended Spending Plan of the Housing Element and Fair Share Plan  
Township of Upper Deerfield, Cumberland County  
February 23, 2026**

**INTRODUCTION**

The Township of Upper Deerfield has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need. In creating this document, the Township followed the laws and regulations of the Municipal Land Use Law (*N.J.S.A. 40:55D-28b(3)*), the Fair Housing Act (*N.J.S.A. 52:27D-301*) and the remaining valid regulations of the New Jersey Council on Affordable Housing (COAH) as found in *N.J.A.C. 5:93-1*. A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the municipality on July 7, 2005, and amended on September 5, 2019. The ordinance re-established the Township of Upper Deerfield's affordable housing trust fund for which this spending plan is prepared.

As of December 31, 2025, the Township of Upper Deerfield had collected \$1,991,970 in development fees and interest, and had expended \$127,668 in administrative expenditures, for a trust fund balance of \$1,864,302. 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 have and continue to be deposited in a separate interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds are required to be spent in accordance with *N.J.A.C. 5:93-8.16* and *N.J.A.C. 5:99* as described in the sections that follow.

Upper Deerfield Township has prepared this spending plan in response to the 2024 amendment to the Fair Housing Act at P.L. 2024 c.2. In accordance with that amendment, the disbursement of funds as outlined in this document will constitute a "commitment" for expenditure pursuant to *N.J.S.A. 52:27D-329.2* and *-329.3*, within the four-year time period for spending beginning with the entry of a final Judgment of Repose approving this Spending Plan in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563).

**REVENUES FOR THE FOURTH ROUND**

To calculate a projection of revenue anticipated during the Fourth Round, the Township of Upper Deerfield considered development fees, other funding sources, and interest.

**A. Development Fees.**

1. Residential and nonresidential projects that have had development fees imposed upon them at the time of preliminary or final development approvals.
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy.
3. Future development that is likely to occur based on historical rates of development.



**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

B. Other funding sources. Upper Deerfield has an ongoing local rehabilitation program which has rehabilitated at least 24 housing units since 2020. To fund this program, the Township has utilized grant funding from the Small Cities Home Rehabilitation Program and has a Revolving Rehabilitation Fund from rehabilitation grants paid back to the Township when units are sold. The Township anticipates continuing to receive Small Cities grant funds to operate its local housing rehabilitation program for satisfaction of its Fourth Round Rehabilitation obligation. This funding is separate from the Township's Trust Fund and remains in its own bank account.

C. Projected interest. The Township calculated interest projections based on the trend of interest revenue over the last five years.

Table SP-1 indicates the anticipated revenue.

**Table SP-1. Projected Revenues - Housing Trust Fund – 2026 through June 30, 2035**

Source of Funds	2026	2027-2028	2029-2030	2031-2032	2033-2034	January-June 2035	Total
Approved Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Development Pending Approval	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Development	\$153.8k	\$399.1k	\$70.0k	\$70.0k	\$70.0k	\$17.5k	\$780,325
Total Interest	\$23.7k	\$47.3k	\$37.0k	\$26.6k	\$13.0k	\$0.3k	\$147,847
<b>Total</b>	<b>\$177.5k</b>	<b>\$446.3k</b>	<b>\$107.0k</b>	<b>\$96.6k</b>	<b>\$83.0k</b>	<b>\$17.8k</b>	<b>\$928,172</b>

The Township of Upper Deerfield projects a total of \$928,172 to be collected between January 1, 2026, and June 30, 2035, including interest, to be used for affordable housing purposes. The total that is projected to be available, including the existing account balance and projected revenues, is \$2,792,474.

**ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

The Township of Upper Deerfield utilizes the following procedural sequence for the collection and distribution of development fee revenues.

## Amended Fourth Round Spending Plan Township of Upper Deerfield

February 23, 2026

### Collection of Development Fee Revenues

As stipulated in Section 21, Development Fees, in Chapter 108, Affordable Housing Controls and Procedures, of the Township Code, all collection of development fee revenues will be consistent with local regulations for both residential and non-residential developments and in accordance with *N.J.A.C. 5:96 et seq.*, *N.J.A.C. 5:97 et seq.* and P.L.2008, c.46, sections 8 (*N.J.S. 52:27D-329.2*) and 32-38 (*N.J.S. 40:55D-8.1* through -8.7).

### Distribution of Development Fee Revenues

Requests for distribution of funds will first be made to the Township Clerk/Administrator. The request for funds will detail the amount requested, the beneficiary of the distribution, the use of funds and the timeline for distribution. In this request for funds and determination of eligible activities the municipal staff may be assisted by the Township Attorney. Upon examination and approval, the Township Clerk/Administrator will transmit the requested amount to the Chief Financial Officer (CFO) of the municipality. If sufficient funds are available, the requested amount will be brought before the Township Committee for approval and the amount encumbered in the affordable housing trust fund by the CFO. Township Committee approval may take one of any number of forms, including a resolution authorizing the expenditure of funds, inclusion of the amount on a bill list for approval, or any other mechanism allowed by statute or rule for the dispersal of funds. Once approved, the payment will be made by the CFO to the designated individual or organization and the proper notation made in the affordable housing trust fund.

### DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Upper Deerfield Township may use the funds in the trust fund for any of the below listed items, pursuant to *N.J.A.C. 5:93-8.16*:

- Rehabilitation program sufficient to rehabilitate an additional 7 substandard housing units occupied by very low-, low-, and moderate-income households;
- 100% affordable housing, including a market-to-affordable program featuring the gut rehabilitation of up to 10 units;
- Creation of group homes;
- Inclusionary development, including proposed housing through a developer's agreement, redevelopment plan, or rezoning; and
- Administration, as discussed below.

#### Rehabilitation: \$36,113

Since April 1, 2020, Upper Deerfield has rehabilitated 24 housing units using Small Cities grant funds, leaving a remaining Fourth Round Rehabilitation obligation of seven units. The Township will allocate \$36,113 to augment the available Small Cities funds for rehabilitation of seven additional units in the Township. If funds remain, the Township may rehabilitate additional housing based upon demand.



**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

**Housing Activity: \$1.4 million**

The Township has identified Seabrook Village, a neighborhood of Cape Cod houses associated with the Seabrook Farms frozen food processing plant, as an area needing revitalization. While this neighborhood will be the focus of efforts for intensive rehabilitation, the program will not be limited solely to this geographic area, but open to qualified households throughout the municipality. Seabrook Village has been an area where the Township has concentrated efforts with its Small Cities program of housing rehabilitation. The Township has identified, however, some dwellings where the level of work extends beyond the level of ordinary system replacement and will require gut rehabilitation, where effectively the interior of the dwelling is demolished down to the studs and rebuilt with new mechanical systems, kitchen and bathroom, with modern insulation, windows, doors and exterior cladding. To the degree feasible, the program will target low-income homeowners. It is anticipated that households will be displaced for an estimated four to six months during the reconstruction. The Township will offer moving expenses and rental assistance as part of the program. In return, 30-year deed restrictions will be put in place. Dwellings undergoing this work fall under the market-to-affordable category and will be eligible for new construction credit in the Fifth Round. This variation on the market-to-affordable program, where existing low- and moderate-income households are temporarily displaced and then returned to their completely renovated dwellings, is an innovation previously approved by COAH in another municipality. The Township will allocate funds to buy down 10 units after gut rehabilitation, at an average per-unit cost of up to \$140,000.

**Affordability Assistance: \$900,000**

Pursuant to *N.J.A.C. 5:93-8.16(c)*, until December 14, 2025, municipalities were required to spend a minimum of 30% of development fee revenue to render existing affordable units more affordable. One-third of that amount must be dedicated to very low-income households (i.e. households earning 30% or less of the regional median income) or creating very low-income units. Since December 15, 2025, when the new DCA regulations at *N.J.A.C. 5:99* became effective, the Township is only required to spend “a portion” of revenues collected. The Township’s affordability assistance requirements have been calculated in Tables SP-2 and SP-3.

**Table SP-2. Projected Minimum Affordability Assistance Requirement**

Actual development fees collected through December 14, 2025		\$1,950,721.63
Actual interest earned through December 14, 2025	+	\$38,067.72
Less housing activity expenditures through June 2, 2008	-	\$0.00
<b>Total</b>	<b>=</b>	<b>\$1,988,789.35</b>
30% requirement	x 0.30 =	\$596,636.81
Less affordability assistance expenditures through December 14, 2024	-	\$0.00
<b>Projected minimum affordability assistance requirement through December 14, 2025</b>	<b>=</b>	<b>\$596,636.81</b>
Development fees projected, December 15, 2025 – June 30, 2035	+	\$780,325.00

**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

Interest projected, December 2025 – June 30, 2035	+	\$147,846.54
<b>Total</b>	<b>=</b>	<b>\$928,171.54</b>
5% allocation for affordability assistance	x .05 =	\$46,408.58
<b>Projected minimum affordability assistance requirement December 15, 2025 through June 30, 2035</b>	<b>=</b>	<b>\$46,408.58</b>
<b>Projected total minimum affordability assistance requirement through June 30, 2035</b>	<b>=</b>	<b>\$643,045.39</b>

**Table SP-3. Projected Minimum Very Low-Income Affordability Assistance Requirement**

Actual development fees collected July 17, 2008 – December 14, 2025		\$1,906,254.93
Actual interest earned July 17, 2008 – December 31, 2024	+	\$35,336.49
Less housing activity expenditures through June 2, 2008	-	\$0.00
<b>Total</b>	<b>=</b>	<b>\$1,941,591.42</b>
30% requirement	x 0.30 =	\$582,477.26
Very low-income affordability assistance requirement	÷ 3 =	\$194,159.14
Less very low-income affordability assistance expenditures through December 14, 2024	-	\$0.00
<b>Projected minimum very low-income affordability assistance requirement through December 14, 2025</b>	<b>=</b>	<b>\$194,159.14</b>
Development fees projected, December 15, 2025 – June 30, 2035	+	\$780,325.00
Interest projected, December 2025 – June 30, 2035	+	\$147,846.54
Less housing activity expenditures through June 2, 2008	-	\$0.00
<b>Total</b>	<b>=</b>	<b>\$928,171.54</b>
5% affordability assistance allocation	x 0.05 =	\$46,408.58
1/3 very low-income affordability assistance allocation	÷ 3 =	\$15,469.53
Less very low-income affordability assistance expenditures through December 31, 2024	-	\$0.00
<b>Projected minimum very low-income affordability assistance requirement</b>	<b>=</b>	<b>\$15,469.53</b>
<b>Projected total minimum very low-income affordability assistance requirement through June 30, 2035</b>	<b>=</b>	<b>\$209,628.67</b>

Based on fees, interest collected, and projected revenues, Upper Deerfield must dedicate at least \$643,045 from the affordable housing trust fund to render units more affordable, including \$209,629 to render units more affordable to households earning 30% or less of median income by region. It may use a variety of methods to satisfy this requirement, including but not limited to the following:

- Down-payment assistance;
- Rental assistance;



**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

- Relocation expenses;
- Security deposit assistance;
- Low interest loans;
- Assistance with homeowners' association or condominium fees and special assessments;
- Converting low-income units to very low-income units or creating new very low-income units, etc.; and/or
- Rehabilitation assistance for households or landlords that agree to extend affordability controls.

The Township intends to spend trust fund revenues on the following Affordability Assistance programs:

**Relocation Assistance and Rental Assistance: At least \$40,000 and at least \$60,000**

During the time that the Seabrook Village homes, or other similarly situated homes in Upper Deerfield, are undergoing gut rehabilitation, the income-qualified owners will need to be relocated temporarily. The Township intends to provide at least \$4,000 per household in moving expenses and \$6,000 in rental assistance, to cover an estimated six months' worth of rent while the household is displaced. The Township acknowledges that actual costs may exceed these estimates, and commits to covering the actual moving and rental expenses for qualified households.

**Gut Rehabilitation: \$800,000**

The Township will reserve \$800,000 for gut rehabilitation of 10 dwellings, either in Seabrook Village or in any other part of the Township, as a mechanism to keep the homes affordable to their income-qualified owners. This far exceeds the \$643,045 it is required to spend on Affordability Assistance.

**Administrative Expenditures: \$456,360**

Additionally, in accordance with N.J.A.C. 5:93-8.16(e) and N.J.A.C. 5:99, no more than 20% of the revenues collected each year will be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

**Table SP-4. Projected Allowed Administrative Expense.**

Actual development fees through December 31, 2025		\$1,950,721.63
Actual interest earned through December 31, 2025	+	\$41,247.79
Development fees projected, 2026 – June 30, 2035	+	\$780,325.00
Interest projected, 2026 – June 30, 2035	+	\$147,846.54
<b>Total</b>	=	<b>\$2,920,140.96</b>
20 percent maximum permitted administrative expenses	x 0.20 =	\$584,028.19



**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

Less administrative expenditures through 12/31/2025	-	\$127,667.84
<b>Projected allowed administrative expenditures</b>	<b>=</b>	<b>\$456,360.35</b>

Upper Deerfield will not expend for administrative purposes in excess of the formula in Table SP-4 above.

**EXPENDITURE SCHEDULE**

Upper Deerfield anticipates expending the funds collected according to the following schedule:

Project	2026	2027-2028	2029-2030	2031-2032	2033-2034	January-June 2035	Total
Rehabilitation	\$5k	\$10k	\$10k	\$11.1k			\$36,112.77
Market-to-Affordable	\$140k	\$280k	\$280k	\$280k	\$280k	\$140k	\$1,400,000.00
Affordability Assistance	\$90k	\$180k	\$180k	\$180k	\$180k	\$90k	\$900,000.00
Administrative	\$91.5k	\$45.6k	\$45.6k	\$45.6k	\$45.6k	\$182.5k	\$456,360.35
<b>Total</b>	<b>\$326.5k</b>	<b>\$515.6k</b>	<b>\$515.6k</b>	<b>\$516.7k</b>	<b>\$505.6k</b>	<b>\$412.5k</b>	<b>\$2,792,473.12</b>

**SHORTFALL OR EXCESS OF FUNDS**

As part of the 2019 plan, the Township adopted a resolution establishing an intent to fund any shortfall of funds required for implementing its adopted housing element and fair share plan. Given anticipated revenue, it is unlikely that the programs listed will be underfunded, but in that event, the 2019 resolution covers this situation. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to produce additional affordable housing through these programs or pursuant to a Court-approved amendment to this Spending Plan.

**BARRIER FREE ESCROW**

Collection and distribution of barrier free funds shall be consistent with Chapter 108 of the Code of the Township of Upper Deerfield to the extent that such funds are paid pursuant to law to ensure the adaptability of low and moderate income units for barrier free accessibility in accordance with *N.J.A.C. 5:97-3.14*.



**Amended Fourth Round Spending Plan  
Township of Upper Deerfield**

**February 23, 2026**

**SUMMARY**

The Township of Upper Deerfield intends to spend affordable housing trust fund revenues pursuant to the regulations governing such funds and consistent with its Fourth Round Housing Element and Fair Share Plan.

Upper Deerfield has an affordable housing trust fund balance of \$1,864,301.58 as of December 31, 2025, and anticipates an additional \$928,171.54 in revenues during the Fourth Round, for an estimated total of \$2,792,473.12 in available funds. The municipality will dedicate any remaining balance of its trust fund revenue after meeting its minimum affordability requirement and maximum administrative spending towards affordability assistance, but reserves the right to amend its Spending Plan as needed. A summary of Upper Deerfield’s Spending plan is found in Table SP-5 below:

**Table SP-5. Summary of the Spending Plan**

Balance as of December 31, 2025		\$1,864,301.58
<b>REVENUES</b>		
Development Fees	+	\$780,325.00
Interest	+	\$147,846.54
<b>Total</b>	<b>=</b>	<b>\$2,792,473.12</b>
<b>EXPENDITURES</b>		
Affordability Assistance – Seabrook Village relocation	-	\$100,000.00
Affordability Assistance – Seabrook Village gut rehabilitation	-	\$800,000.00
Housing Activity – Seabrook Village buydowns	-	\$1,400,000.00
Rehabilitation	-	\$36,112.77
Administration	-	\$456,360.35
<b>Total Projected Expenditures</b>	<b>=</b>	<b>\$2,792,473.12</b>
<b>Remaining Balance</b>	<b>=</b>	<b>\$0.00</b>

