

RESOLUTION 81-2025

**RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF
WOODBURY HEIGHTS APPROVING A FOURTH ROUND
AFFORDABLE HOUSING TRUST FUND SPENDING PLAN AND
REQUESTING COURT APPROVAL OF THE SPENDING PLAN**

WHEREAS, the Borough of Woodbury Heights (hereinafter “Borough” or “Woodbury Heights”) has an approved Development Fee Ordinance, which established standards for the collection, maintenance, and expenditure of development fees; and

WHEREAS, the Borough’s previous Affordable Housing Trust Fund Spending Plan was approved by the Court in the Third Round; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act (hereinafter the “Amended FHA”) which governs how municipalities will comply with their affordable housing obligations for the Fourth Round (2025-2035); and

WHEREAS, the Administrative Office of the Courts issued Directive #24-40 (“AOC Directive #14-24), governing how municipalities file their compliance documents with the Affordable Housing Dispute Resolution Program (“the Program”); and

WHEREAS, the Borough has prepared a Fourth Round Spending Plan consistent with the Amended FHA, AOC Directive #24-40 and other applicable regulations, which projects anticipated revenues to the Borough’s Affordable Housing Trust Fund and describes the anticipated expenditures of funds;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Woodbury Heights, County of Gloucester, State of New Jersey, as follows:

1. The Borough Council of the Borough of Woodbury Heights hereby approves the Fourth Round Spending Plan that is attached hereto as Exhibit A, and requests that the Program and the Court review and approve the Borough's Fourth Round Spending Plan.
2. This Resolution shall take effect immediately upon adoption, according to law.

BOROUGH OF WOODBURY HEIGHTS

BY: 

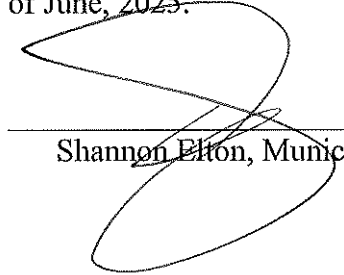
MATTHEW W. COSENZA, MAYOR

ATTEST: 

SHANNON ELTON, MUNICIPAL CLERK

CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Council of the Borough of Woodbury Heights at a regular meeting held on the 18th day of June, 2025.


Shannon Elton, Municipal Clerk

**Borough of Woodbury Heights
Gloucester County**

**Spending Plan
June 16, 2025**

Approved by the Governing Body on -----
By Resolution No. -----

Borough of Woodbury Heights
500 Elm Avenue
Woodbury Heights, NJ 08097

Prepared By:



**Borough of Woodbury Heights
Gloucester County**

**Spending Plan
June 2025**

Mayor and Council

Mayor Matthew Cosenza
Cara Witasick
Robert Verka
Bruce Farrell
Eileen Connors
Richard Gambale, Jr.
Collin Aregood

Planning Board

Robbie J. Conley- Vice Chairman
Matthew Cosenza, Mayor
Eileen Connors, Councilperson
Harry W. Elton, Jr.
Sean Flynn
Stephen Hart
Michael McCabe
Debra Sesko
Scott Norcross, Alt 1
Susan Reim, Alt 2
Lavon Phillips, Alt 3
Tim Abrahms, Alt 4

Prepared By:

Tiffany A. Morrissey, AICP, PP#5533

The original of this document was signed and
sealed in accordance with NJAC 13-41-1.3.b

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INTRODUCTION

This 2025 spending plan addresses the Fourth-Round Housing Element and Fair Share Plan (HEFSP) mechanisms and components and accounts for the funds already deposited, and to be deposited through 2035, into the Borough's Mount Laurel Trust Fund; and (2) demonstrates the manner in which the Borough intends to expend the funds to advance the interests of the region's low- and moderate-income households.

In accordance with the 2024 amendments to the Fair Housing Act, municipalities are permitted to rely on the previously adopted rules and regulations for Spending Plans and Development Fees. This plan is prepared in accordance with the provisions of the amended Fair Housing Act under N.J.S.A. 52:27D-329.2 and the previously effective regulations at N.J.A.C. 5:93-1 et. Seq., Substantive Rules of the New Jersey Council on Affordable Housing.

In 2019, the Borough of Woodbury Heights prepared, adopted, and endorsed an Affordable Housing Plan ("2019 Plan") to address its Affordable Housing Obligation. The 2019 Affordable Housing Plan included the Mount Laurel compliance techniques through which the Borough will satisfy its Prior Round and Third-Round obligation. The Borough obtained a Judgment of Compliance and Repose, which approved the Borough's 2019 Plan, on December 22, 2020 after a duly noticed Compliance Hearing held on November 10, 2020. This Plan amends the approved 2019 Spending Plan to provide for projections through 2035.

SPENDING PLAN

A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the municipality on November 26, 2013 by Ordinance 17-2013. The ordinance establishes the Borough of Woodbury Heights's affordable housing trust fund for which this Spending Plan is prepared.

Pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:93-5.1(c), if a municipality intends to collect development fees, it shall prepare a plan to spend development fees that includes the following:

- A projection of revenues anticipated from imposing fees on development, based on historic development activity;
- A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
- A description of the anticipated use of all development fees;
- A schedule for the creation or rehabilitation of housing units (if required);
- If the municipality envisions being responsible for public sector or non-profit construction of housing, a pro-forma statement of the anticipated costs and revenues associated with the development; and
- The manner through which the municipality will address any expected or unexpected shortfall if the anticipated.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period relevant to the Borough's Fourth Round HEFSP (2025-2035), the Borough of Woodbury Heights considered the following:

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SOURCE OF FUNDS	PROJECTED REVENUES-HOUSING TRUST FUND 2025 THROUGH 2035 597,464.74 Starting Balance June 1, 2025										
	6/2025 12/2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
(a) Projected Development fees	6,000	8,800	8,800	8,800	8,800	8,800	8,800	8,800	8,800	8,800	8,800
(b) Payments in Lieu of Construction	0	0	0	0	0	0	0	0	0	0	0
(c) Other Funds	0	0	0	0	0	0	0	0	0	0	0
(d) Interest - estimated	1,500	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Totals	7,500	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800
TOTAL PROJECTED REVENUES AND INTEREST 2025-2035					\$125,500						
Estimated Account Balance (Current + Projection)					\$222,964.74						

The above projected revenues are based upon projected residential and commercial development growth rates from prior years and recent development applications that have been approved by the Planning Board. The Borough is primarily built-out and the only new residential development is from either scattered infill residential lots or tear-down rebuilds. Additionally, there are limited opportunities for new non-residential developments. As such, the Borough looked at the development fees received over the last ten years to determine an average per year. This results in an average of \$8,800 per year in new development fees. This is a conservative estimate for the purpose of projections, and the total expected may be less than provided for above.

The Borough projects a total of \$94,000 in new development fees through the end of 2035. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. The projected interest through 2035 is \$31,500, when added to the estimated deposits the Borough will realize an estimated \$125,500 in additional deposits (including interest).

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(a) Development fees:

1. Projects which have had development fees imposed upon them at the time of development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development and/or projected development in accordance with projections.
4. Revenues from the 2.5 non-residential, for all commercial development

(b) Other funding sources: No other funds have been or are anticipated to be collected.

(c) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund based upon the average amount earned on prior years. This is subject to change as interest rates change and the account balance will fluctuate with approved spending. The current interest rate is 3.3%.

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Administrative Mechanism To Collect And Distribute Funds

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Borough's development fee ordinance for residential developments in accordance with the rules and regulations at N.J.A.C. 5:93-8.1 et. seq. and for non-residential development consistent with N.J.S.A. 52:27D-329 et. seq. and N.J.S.A. 40:55D-8.1 through 8.7.

(b) Distribution of development fee revenues:

The Borough of Woodbury Heights's Municipal Housing Liaison shall recommend to the governing body the expenditure of development fee revenues as set forth in this Spending Plan. The governing body shall then review the request and, assuming for consistency with the Spending Plan, shall authorize the expenditure by resolution.

The release of funds requires the adoption of the governing body resolution in accordance with the Borough's approved amended spending plan. Once a request is approved by resolution, the Chief Financial Officer shall release the requested revenue from the Affordable Housing Trust Fund for the specific use approved in the governing body's resolution referenced immediately above.

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Anticipated Use Of Affordable Housing Funds

Regulations permit the use of revenues generated by a Development Fee Ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation, new construction, improvement to land, roads, and infrastructure for affordable housing, assistance to render units more affordable, and administrative costs of housing plan implementation.

(a) New construction programs and projects (N.J.A.C. 5:93-8.16)

The Borough of Woodbury Heights will dedicate an estimated \$48,723 to the development of affordable housing on Woodland Avenue in accordance with Borough's recently adopted 2025 HEFSP. This is Borough owned property identified to accommodate a 100% affordable housing project in the recently approved HEFSP. The funds will be used in combination with the land donation to assist in the creation of new affordable housing units on the property.

New Construction Expenditure Estimates through 2035		
Development fees collected through May 2025		\$97,446.74
Less Required Affordability Assistance	-	\$29,234.02
Less Administrative Expenditures	-	\$19,489.35
Available New Construction Funds May 2025	=	\$48,723.37
Development fees projected 6/2025-2035		\$125,500.00
Less Estimated Required Affordability Assistance		\$37,650.00
Less Estimated Administrative Expenditures		\$25,100.00
Estimated Available Additional New Construction Funds 6/2025-2035		\$62,750.00
Total Existing and Estimated New Construction Funds Available	=	\$111,473.37

(c) Administrative Expenses N.J.S.A. 52:27D-392.2.c.(5) and N.J.A.C. 5:93-8.9

The Borough of Woodbury Heights is permitted to expend a maximum of 20% of the collected revenues from the Affordable Housing Trust Fund to be used for administrative purposes. The amount will be utilized for administrative purposes such as salaries and benefits for municipal employees or consultant fees necessary to develop or implement municipal housing programs such as rehabilitation, accessory apartments, new construction, housing elements and/or affirmative marketing programs. Administrative funds may be used to income qualify households and monitor implementation. Development fees may be used to defray the costs of staff or consultants that are preparing or implementing a Fair Share Plan.

May 2025 – Current Fund Estimates for Expenditures		
Development fees collected through May 2025		\$97,446.74
Available for Administrative Expense through 5/31/2025	x 0.20 =	\$19,489.35
Estimates through 2035		
Development fees projected 6/2025-2035		\$125,500.00
Available for Administrative Expense through 12/31/2035	x 0.20 =	\$25,100.00

Expenditure Schedule

The Borough of Woodbury Heights intends to use Affordable Housing Trust Fund revenues for the creation of new affordable housing units on Borough owned property. The following summarizes the use of the funds as required:

(b) Affordability Assistance N.J.S.A. 52:27D-392.2.c.(3) and N.J.A.C. 5:93-8.16

The Borough shall provide affordability assistance in accordance with the rules and requirements of the Fair Housing Act. In accordance with the projections for new development the Borough of Woodbury Heights has prepared a table projecting the minimum affordability assistance requirement. The following table includes current funds and estimates of future funds with the required expenditures:

May 2025 – Current Fund Estimates for Expenditures		
Development fees collected through May 2025		\$97,446.74
MINIMUM Affordability Assistance Requirement through 5/31/2025	x 0.30 =	\$29,234.02
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement through 5/31/2025	1/3 rd of Requirement	\$9,744.67
Estimates through 2035		
Development fees projected 6/2025-2035		\$125,500.00
PROJECTED MINIMUM Affordability Assistance Requirement through 12/31/2025	x 0.30 =	\$37,650.00
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement through 12/31/2025	1/3 rd of Requirement	\$12,550.00

The Borough of Woodbury Heights will dedicate a minimum of 30% of the total collected fees in the amount of \$29,234 from the Affordable Housing Trust Fund to render units more affordable, including a minimum of 1/3rd of the required 30%, or \$9,745 to render units more affordable to households earning 30 percent or less of median income by region. Affordability assistance programs will include down-payment assistance, rental assistance, and the conversion of low-income units to very low-income units and other programs. These funds will go to existing affordable housing units and future affordable housing units. The Borough intends to assist the residents of the affordable housing development which is under construction to buy-down units to create the required very low-income units as identified in the 2025 HEFSP. Funds will also be made available to any future affordable housing units created pursuant to the Borough's Fair Share Plan.

May 2025– Current Fund Expenditures		
Development fees collected through May 2025		\$97,446.74
Expenditures		
New Construction Projects		
Woodland Avenue	-	\$48,723.37
Affordability Assistance	-	\$29,234.02
Administrative Expense	-	\$19,489.35
Total Expenditures	=	\$97,446.74
Remaining Balance	=	\$0

Estimates through 2035		
Account Balance May 2025		\$0
Projected Revenue		\$125,500.00
Subtotal		\$125,500
Expenditures		
New Construction Projects		\$62,750.00
Affordability Assistance		\$37,650.00
Administrative Expense	-	\$25,100.00
Total Projected Expenditures	=	\$125,500.00
Remaining Balance	=	\$0

Administrative Expenses: The Borough of Woodbury Heights will expend funds for administrative expenses through December 31, 2035, for the purposes of salaries and benefits of the municipal employees involved in the implementation and administration of the Borough's Affordable Housing program, Housing Element and Fair Share Plan, and affirmative marketing program. Funds will also be used for consultants and any other permitted program under N.J.A.C. 5:93-8.16(e).

Affordability Assistance: The Borough of Woodbury Heights intends to spend funds for affordability assistance in accordance with N.J.A.C. 5:93-8.16(c). One-third of the balance will be utilized for the affordability assistance to very low-income households.

Housing Programs: The Borough of Woodbury Heights intends to utilize at least \$48,000 of the Housing Trust Fund balance for the affordable housing development on Borough owned property on Woodland Avenue. The remaining balance is estimated at \$62,750 and is based upon estimated development fees over the next 10 years. This balance will be utilized to further support the development on Woodland Avenue or for new construction projects as identified in the Fair Share Plan.

FOUR YEAR SPENDING PLAN:

In accordance with N.J.S.A. 52:27D-329.2.d development fees collected are required to be committed for expenditure within four years of the date of collection. As of May 2025, the Affordable Housing Trust Fund had a balance of \$97,446.74. This money must be committed for use within four years of collection. The Borough commits to utilize funds as follows:

AHTF Balance May, 2025		\$97,446.74
Less Estimated Allowable Administrative Expenses	-	\$19,489.35
Less Required Affordability Assistance	-	\$29,234.02
AHTF Balance	=	\$48,723.37
Woodland Avenue Housing	-	\$48,723.37
AVAILABLE BALANCE	=	\$0

SUMMARY

The Borough of Woodbury Heights intends to spend affordable housing trust fund revenues as approved by the court pursuant to the Fair Housing Act and consistent with the housing programs outlined in the Housing Element and Fair Share Plan.