

**TOWN OF CLINTON**  
**HUNTERDON COUNTY, NEW JERSEY**  
**RESOLUTION #78-26**

**RESOLUTION ADOPTING AN AFFORDABLE HOUSING TRUST FUND SPENDING PLAN**

**WHEREAS**, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 et al.); and

**WHEREAS**, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located"; and

**WHEREAS**, the Town filed a Declaratory Judgement on January 23, 2025, captioned *IMO Town of Clinton*, Docket No. HNT-L-48-25, identifying its present and prospective fair share obligation for the Fourth Round and committing to adopting and submitting a fourth-round housing element and fair share plan as required by the FHA; and

**WHEREAS**, the Town has in place a Development Fee Ordinance (Town Code Chapter 88, Art. XII) that establishes standards for the collection, maintenance, and expenditure of development fees to be used for providing low- and moderate-income housing in the Town; and

**WHEREAS**, the Development Fee Ordinance establishes an affordable housing trust fund that includes development fees, payments from developers in lieu of construction of affordable units on-site, barrier free escrow funds, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units; and

**WHEREAS**, N.J.A.C. 5:97-8.1(d) and N.J.S.A. 52:27D-329.2 require a municipality with an affordable housing trust fund to receive approval of a spending plan from a court of competent jurisdiction prior to spending any of the funds in its housing trust fund; and

**WHEREAS**, the Town Planner has prepared a spending plan consistent with N.J.A.C. 5:97-8.10, which is attached hereto; and

**WHEREAS**, the Town wishes to continue to provide affordable housing opportunities through expenditure of funds through the Affordable Housing Trust Fund.

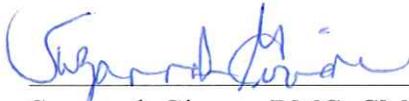
**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of the Town of Clinton, Hunterdon County, NJ as follows:

1. The Town Council approves and adopts the Spending Plan attached hereto.
2. The Town Council directs its professionals to file the attached Spending Plan with the Court.
3. The Town Council to amend the Spending Plan, should that be necessary.
4. This Resolution shall take effect immediately.

  
\_\_\_\_\_  
Janice Kovach, Mayor

Adopted: March 11, 2026

ATTEST:

  
\_\_\_\_\_  
Suzannah Givone, RMC, CMR  
Town Clerk

Town of Clinton  
Hunterdon County, NJ

Fourth Round Spending Plan

May 13, 2025

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James T. Kyle, PP, AICP  
New Jersey Professional Planning License No. 5667  
Kyle McManus Associates  
PO Box 236, Hopewell, NJ 08525

The original copy has been signed and sealed in accordance with N.J.A.C. 13:41-1.3

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**INTRODUCTION**

The Town of Clinton has prepared a Housing Element and Fair Share plan that addresses its regional fair share of affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.).

Clinton has collected development fees since its first development fee ordinance was approved by COAH. As of May 7, 2025, the Town had a balance of \$92,019.61 in its affordable housing trust fund account.

**1. REVENUES FOR CERTIFICATION PERIOD**

To calculate a projection of revenue anticipated during the period the Fourth Round, Clinton considered the following:

(a) Development fees:

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the Land Use Board for development approvals that may apply for building permits and certificates of occupancy; and
3. Anticipated future development.

(b) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current annual percentage yield earned of 0.76% .

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**Table I**

| SOURCE OF FUNDS          | PROJECTED REVENUES-HOUSING TRUST FUND – 2025 THROUGH 2035 |           |           |         |         |         |          |                    |
|--------------------------|---|-----------|-----------|---------|---------|---------|----------|--------------------|
|                          | 2025  | 2026      | 2027      | 2028    | 2029    | 2030    | 2031-35  | Total              |
| (a) Development fees:    |   |           |           |         |         |         |          |                    |
| 1. Development Approved  |   | \$770k    | \$500k    |         |         |         |          | \$1.27m            |
| 2. Projected Development |   |           |           |         |         |         |          |                    |
| (b) Interest             |   | \$5,852   | \$9,696   | \$9,763 | \$9,837 | \$9,912 | \$50k    | \$95,060           |
| <b>Total</b>             |   | \$775,852 | \$509,696 | \$9,763 | \$9,837 | \$9,912 | \$50,000 | <b>\$1,365,060</b> |

**2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Clinton’s development fee ordinance for both residential and non-residential developments in accordance with COAH’s rules, P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7) and P.L. 2009, c. 90 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The Mayor and Council will review all requests/proposals for funding from the Town’s Housing Trust Fund to determine consistency with the approved Housing Element / Fair Share Plan and approved Spending Plan. All distributions from the Housing Trust Fund shall be authorized by a Resolution adopted by the Mayor and Council.

**3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS**

(a) **Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)**

**Rehabilitation program:** Clinton will satisfy the remaining 18 unit rehabilitation obligation from the third round and the 3 unit present need obligation from the fourth round through establishment of a housing rehabilitation program. Funds will be utilized to

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rehabilitate homes of income eligible occupants or tenants and will be administered by Community Grants, Planning and Housing, the Town's administrative agent. Fees for administration will come from the 20% permitted under current rules.

**(b) Affordability Assistance (N.J.A.C. 5:97-8.8)**

- Affordability assistance: \$437,124 (includes the "very low" assistance requirement of \$145,708).

The projected minimum affordability assistance requirement is as follows:

**Table II**

|  |   |                    |
|--|---|--------------------|
| Actual development fees through May 7, 2025  |   | 92,019.61          |
| Development fees projected 2025 through 2035   | + | \$1,270,000        |
| Interest projected 2009-2018   | + | \$95,060           |
| <b>Total</b>   | = | <b>\$1,457,080</b> |
| <b>PROJECTED MINIMUM Affordability Assistance Requirement 7/1/2025 through 6/30/2035 (30% of Total collected plus interest)</b>                        | = | \$437,124          |
| <b>PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 7/1/2025 through 6/30/2035 (1/3 of affordability assistance requirement)</b> | = | \$145,708          |
| <b>Total Remaining to Fund Mechanisms</b>  |   | <b>\$1,019,956</b> |

The Town will dedicate a total of \$437,124 from the affordable housing trust fund to render units more affordable, including a minimum of \$145,708 to render units more affordable to households earning 30 percent or less of median income by region, as follows:

- i. Down payment assistance
- ii. Payment of closing costs
- iii. Payment of lender fees
- iv. Security deposit assistance
- v. First month's rent assistance

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(c) **Administrative Expenses (N.J.A.C. 5:97-8.9)**

**Table III**

|   |                    |
|---|--------------------|
| Actual development fees, payments in lieu, and interest through May 2025      | \$92,019.61        |
| Projected development fees and interest anticipated through December 31, 2025 | \$1,365,060        |
| <b>Sub-Total</b>  | <b>\$1,457,080</b> |
| \$1,457,080 x 20 percent  | \$291,416          |
| Actual expenditures from inception of Housing Trust Fund through May 2025     | -----              |
| <b>Remaining balance available for administrative purposes</b>                | <b>\$291,416</b>   |

**4. EXPENDITURE SCHEDULE**

Clinton intends to use affordable housing trust fund revenues to support its housing rehabilitation program, to render units more affordable through offering of affordability assistance and administrative costs associated with these programs. The Town proposes to allocate its Housing Trust Funds to projects in Table IV within the required time period subsequent to the Program's approval of this Spending Plan.

The projected revenues of \$1,365,000 from anticipated developer fees and interest (Table I) combined with the present balance of \$92,019.61 in the Town's Housing Trust Fund will, if development projections are reasonably accurate, provide an estimated total of \$1,457,080 over the course of the fourth round period through June of 2035. Table IV presents an estimated schedule for expenditure of the projected revenues.

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**Table IV**

| <b>Program</b>           | <b># of Units</b> | <b>2025</b>   | <b>2026</b>   | <b>2027</b>   | <b>2028</b>   | <b>2029</b>   | <b>2030-35</b>   | <b>Total</b>       |
|--------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|------------------|--------------------|
| Rehabilitation program   | 21                | \$75k         | \$75k         | \$75k         | \$75k         | \$75k         | \$250k           | <b>\$625,000</b>   |
| Affordability assistance | N/A               | \$44k         | \$44k         | \$44k         | \$44k         | \$44k         | \$217,124        | <b>\$437,124</b>   |
| Administration           | N/A               | \$30k         | \$20k         | \$20k         | \$20k         | \$20k         | \$100,000        | <b>\$210,000</b>   |
| <b>TOTAL</b>             | <b>18</b>         | <b>\$149k</b> | <b>\$139k</b> | <b>\$139k</b> | <b>\$139k</b> | <b>\$139k</b> | <b>\$567,124</b> | <b>\$1,272,124</b> |