

2025 FOURTH ROUND HOUSING PLAN

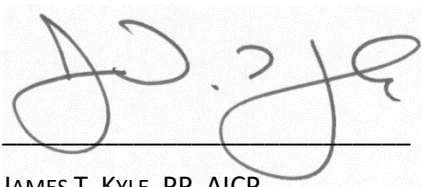
HOUSING ELEMENT & FAIR SHARE PLAN
TOWN OF CLINTON
HUNTERDON COUNTY
NEW JERSEY

ADOPTED BY THE PLANNING BOARD

JUNE 3RD, 2025

ENDORSED BY THE TOWN COUNCIL

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INTRODUCTION & EXECUTIVE SUMMARY

This Housing Plan addresses the Town of Clinton's newly assigned fourth round affordable housing obligation consisting of a present need (rehabilitation) of 3 units and a prospective need (new construction) of 49 units. Although the Town of Clinton has a centralized water system, remaining capacity is currently around 6,018 gallons per day, and that capacity is shared between other communities on a first come basis. The water system draws from wells located in subwatersheds the Highlands Council has deemed to be in deficit and as such, additional withdrawal is not permitted. Given this fact, the Town relies upon a durational adjustment to address the fourth round obligation. Consistent with the regulations addressing durational adjustments, the Town is not required to adopt zoning or take other actions at this time to satisfy the obligation. In fact, the Town is unable to incorporate the most common strategies in its Housing Plan (excluding those that are small) – 100% affordable housing developments and inclusionary development – because of the lack of available water and sewer.

This Housing Plan does not propose new zoning or other affordable housing strategies. Doing so is unnecessary given the first, second and third round obligations are satisfied with constructed/approved or planned development, and the fourth round obligation is addressed with the durational adjustment.

Since the 1975 New Jersey Supreme Court decision known as “Mount Laurel I,” New Jersey municipalities have a constitutional obligation to provide opportunities for creation of low and moderate housing units. This 1975 decision led to a body of case law, legislative changes and rulemaking by a state agency that, collectively, is now referred to as the “Mount Laurel Doctrine”. Through these actions, New Jersey municipalities have been assigned their fair share of the region's affordable housing need for each compliance period and mechanisms must be created to address that need to have “satisfied” their constitutional obligation. The purpose of this Housing Element and Fair Share Plan (hereinafter the “Plan”) is to detail how Clinton will satisfy its constitutional obligation.

Affordable housing in New Jersey is defined as housing units which are reserved for households with incomes not more than 80% of the regional median income. Each affordable unit, depending on the age and type of housing, must remain reserved for low and moderate income households for up to 40 years, a requirement enforced by deed restriction. Each affordable unit is eligible for one “credit” against the obligation and certain units are eligible for “bonus credits,” which potentially provide more than one credit per unit. In addition to providing the minimum number of credits, municipalities must ensure diversity in the unit type (at least half of the units must be available to families and the remaining may be reserved for seniors and those with special needs), diversity in the level of affordability (very low, low and moderate income units), and diversity in the size of affordable units (one, two and three bedroom units).

Participation in this process, and therefore satisfaction of the affordable housing obligation, can be achieved voluntarily or involuntarily, however, voluntary compliance is heavily incentivized. Municipalities that do not successfully participate may be vulnerable to exclusionary zoning litigation or a builder's remedy, which is a litigation tool that can grant a developer the right to construct what is typically multifamily development on land that was not zoned to permit that use or density. Clinton seeks to avoid this possibility and has already taken substantial steps to do so, evidenced by its compliance for the first, second and third rounds.

This Plan supersedes all previously adopted housing plans and will serve as the foundation for the Town's filing with the New Jersey Affordable Housing Dispute Resolution Program and a request for Compliance Certification.

As detailed in this Plan, the Town – like all New Jersey municipalities – has four components of its affordable housing obligation. Each component of the Town’s obligation is identified below and further detail is provided in a later section.

- Rehabilitation Obligation: 3 units
The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Clinton that are occupied by low- and moderate-income households. This component is also referred to as “present need”.
- First & Second Rounds Obligation: 51 units
The first and second round obligations can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This component is often referred to as the “prior round” obligation.
- Third Round Obligation: 116 units
The third round obligation can be defined as the 1999 through 2025 new construction affordable housing obligation.
- Fourth Round Obligation: 49 units
The fourth round obligation can be defined as the 2025-2035 new construction affordable housing obligation. The current round of affordable housing, now the fourth round, is also referred to as the “prospective need”.

It is important to note that the Town of Clinton is fully conforming to the requirements of the Highlands Regional Master Plan, having opted in to conforming for the Planning Area. Clinton has adopted its land use ordinance for the Planning Area and implements consistency through application of these regulations. Additional discussion is presented later in this plan.

AFFORDABLE HOUSING IN NEW JERSEY

In its landmark 1975 decision, now referred to as “Mount Laurel I,” the NJ Supreme Court ruled that developing municipalities have a constitutional obligation to provide variety and choice of housing types affordable to low- and moderate-income households. In its 1983 “Mount Laurel II” decision, the NJ Supreme Court extended the regional fair share obligation to all municipalities with any “growth area” as designated in the State Development Guide Plan (NJDCG 1978) and determined that each municipality would have to establish its fair share obligation and provide zoning strategies to create a realistic opportunity for fulfillment of the fair share obligation. Mount Laurel II also gave developers, under appropriate circumstances, the opportunity to secure a builder’s remedy. A builder’s remedy is a litigation tool that grants a developer the right to develop what is typically a multi-family development on land that was not zoned to permit the use or the residential density desired by the developer, provided a “substantial” percentage of the units are reserved for low and moderate income households. Clinton seeks to avoid this possibility and has already taken substantial steps to do so by fully complying with its first, second and third round obligations.

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created the Council on Affordable Housing (hereinafter “COAH”) as an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations to establish housing regions, to estimate the state’s low- and moderate-income housing needs, set criteria and guidelines for municipalities to determine and satisfy their affordable housing obligation, and to create a process for the review and approval of appropriate housing elements and fair share plans. Approval of a municipal housing element and fair share plan by COAH was referred to as “substantive certification” and it provided protection from builder’s remedy litigation during the period which the housing element and fair share plan addresses (i.e. the round).

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation. COAH originally established a formula for determining municipal affordable housing obligation for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “first round.” These rules established the first round rehabilitation obligation (also referred to as the “present need”) and the first round new construction obligation.

The first round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the first round 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality’s “cumulative” obligations for the first and second rounds are known as “the second round” regulations. Under regulations adopted for the third round, the obligation of municipalities to create new affordable housing for the first and second rounds was referred to as the “prior round” obligation.

On December 20, 2004, COAH’s first version of the third round rules became effective some five years after the end of the second round in 1999. At that time, the third round was defined as the time from 1999 to 2014 but condensed into an affordable housing delivery period from January 1, 2004 through January 1, 2014. The third round rules marked a significant departure from the methods utilized in COAH’s earlier rounds by creating a “growth share” approach that linked the production of affordable housing to residential and non-residential development within a municipality.

The growth share approach and the rules in which it was created, was the subject to significant litigation and was ultimately overturned by the New Jersey Appellate Court. On January 25, 2007, the New Jersey Appellate Court decision, In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1, invalidated key elements of the first version of the third round rules, including the growth share approach. COAH issued revised rules on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). Included in the 2008 rules was a recalculation of the cumulative first and second rounds obligation to account for updated data addressing secondary sources (filtering, demolitions, and residential conversions). Just as various parties challenged COAH's initial third round regulations, parties challenged COAH's 2008 revised third round rules. On October 8, 2010, the Appellate Division issued its decision, In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462, with respect to the challenge to the second iteration of COAH's third round regulations. The Appellate Division upheld the COAH regulations that assigned rehabilitation and first and second rounds obligations to each municipality but invalidated the regulations by which the agency assigned housing obligations in the third round, finding that the Agency continued to utilize a growth share approach, albeit an amended approach.

COAH sought a stay from the NJ Supreme Court of the deadline to issue new third round housing rules set forth by the Appellate Division. Additionally, there were various challenges to the Appellate Division's 2010 decision. On September 26, 2013, the NJ Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, Fair Share Housing Center (hereinafter "FSHC") filed a motion in aid of litigant's rights with the NJ Supreme Court.

On March 10, 2015, the NJ Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mount Laurel IV"). This long-awaited decision provided a new direction for how New Jersey municipalities were to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges. The implication was that municipalities were required to apply to Superior Court with a Declaratory Judgement Action, instead of to COAH, if they wished to be protected from exclusionary zoning litigation, including builder's remedy. These trial judges, with the assistance of an appointed Special Adjudicator to the Court, reviewed municipal plans much in the same manner as COAH previously did.

While the NJ Supreme Court's decision set a process in motion for towns to address their third round obligations, it did not assign those obligations. Instead, the task was completed by the trial courts. However, the NJ Supreme Court did direct that the method of determining municipal affordable housing obligations were to be "similar to" the methodologies used in the first and second round rules and municipalities should rely on COAH's 1993 second round rules (*N.J.A.C. 5:93*) and certain components of COAH's 2008 regulations that were specifically, as well as the Fair Housing Act (*N.J.S.A. 52:27D – 301 et seq.*), in their preparation of third round housing elements and fair share plans.

FSHC, the only public interest advocacy organization in New Jersey devoted exclusively to promoting the production of housing affordable to low and moderate income households, was permitted to serve as an interested party in every municipal Declaratory Judgment Action. In this role the organization calculated

municipal affordable housing obligations and offered to settle with municipalities. Such settlements addressed the municipal affordable housing obligation, compliance strategies and other terms intended to promote affordable housing production. Most municipalities that filed a Declaratory Judgment Action settled with FSHC, finding it to be in their best interest. The typical alternative to settlement with FSHC was conducting a trial in Superior Court to determine the municipal affordable housing obligation.

In addition to the State agency activity and judicial decisions through 2015, the New Jersey Legislature amended the Fair Housing Act in 2008 (P.L. 2008, c. 46, often referred to as the “Roberts Bill”, or “A500”). This amendment established a statewide 2.5% nonresidential development fee, prohibited new regional contribution agreements (hereinafter “RCAs”), required that 13% of all new affordable housing units be restricted to very low income households (30% of median income), and added a requirement that municipalities had to commit to spend development fees within four (4) years of the date of collection. Additionally, the Fair Housing Act was amended in 2013 (P.L. 2013, c. 6) to permit municipalities to enter into an agreement with a developer or development owner to provide a preference for veterans who served in time of war or other emergency to occupy up to 50% of the affordable units in a particular development. The preference is applicable to the first 90 of the 120 days of initial marketing and thereafter may on a special waiting list for future available affordable units in the development. These amendments to the Fair Housing Act are not promulgated in any valid COAH regulations.

On March 20, 2024, an amendment to the Fair Housing Act was adopted (P.L. 2024, c.2.). This amendment creates significant changes to the fourth round of affordable housing, and all subsequent rounds. Such changes include the process in which municipalities obtain protection from builder’s remedy litigation – including but not limited to the elimination of COAH and the creation of the Affordable Housing Dispute Resolution Program, the methodology to calculate municipal prospective need obligations, and the administration of affordable housing units. However, the Fair Housing Act does not create or direct the creation of new rules that would provide further guidance, instead it states municipalities shall rely on rules adopted by COAH, unless contradicted by statute or binding court decisions, for municipal crediting, adjustments and compliance strategies. One notable example of contradiction is the generation of and use of bonus credits. See the sections that follow for additional information regarding this amendment to the Fair Housing Act.

The Affordable Housing Dispute Resolution Program (hereinafter the “Program”) is a program within the judiciary made up of an odd number of Judges with a minimum of 3 and not more than 7. The Program, in its discretion and in accordance with Rules of Court, may consult or employ services of one or more special adjudicators or staff to assist it in rendering determinations, resolving disputes, and facilitating communication among municipalities and interested parties. The Program is responsible for reviewing municipal affordable housing obligations, housing plans, and conducting mediation. However, final determinations of compliance, disputes, and other issues, as well as Court orders may only be issued by a County-level housing judge.

In addition to changes addressing the compliance process and elimination of COAH, the amendment also revised minimum affordability controls for rental units from 30 years to 40 years and those for extension of affordability controls from 30 years to as little as 20 years, provided the total control period is not less than 60 years. It also created new roles for the Department of Community Affairs (hereinafter “DCA”), including calculation of non-binding rehabilitation and prospective need affordable housing obligations, oversight and adoption of rules regulating municipal affordable housing trust funds, municipal housing liaisons and affordable housing administrative agents, as well as oversight of affordable unit

administration. The amendment also directed the New Jersey Housing and Mortgage agency to revise the Uniform Housing Affordability Control Rules (*N.J.A.C. 5:80-26.1 et seq.*).

The Compliance Process

The first step in a municipality's compliance process is to establish the affordable housing obligation. The first, second and third round obligations are already established by COAH or Superior Court, as applicable. Only the rehabilitation obligation and current prospective need, the fourth round obligation, are subject to the determination.

The methodology and formulas each municipality must rely upon to determine its rehabilitation and fourth round obligation (as well as subsequent round obligations) are set forth within *N.J.S.A. 52:27D-304.1* thru *-304.3* of the Fair Housing Act. The March 8, 2018 unpublished decision of the Superior Court, Law Division, Mercer County, *In re Application of Municipality of Princeton* ("Jacobson Decision") is also to be referenced as to datasets and methodologies that are not explicitly addressed in *N.J.S.A. 52:27D-304.3*. Notwithstanding the methodology set forth in the Fair Housing Act, the Act also required the DCA to release a non-binding report calculating obligations for each municipality in the State.

The following provides an overview of the process and deadlines associated with fourth round compliance.

- Establishing the Affordable Housing Obligation
 - October 20, 2024: DCA Regional and Municipal Fair Share Obligation Report Issued.
 - January 31, 2025: Deadline for municipalities to adopt a binding committing to the affordable housing obligation and seeking a Compliance Certification through participation in the Program.
 - February 28, 2025: Deadline for an interested party to challenge the municipality's determination of its obligation to the Program. It shall apply "an objective assessment standard".
 - March 1, 2025: The municipality's determination of its obligation will be established by default if no challenge.
 - March 31, 2025: The Program must issue a decision on the obligation challenge.
- Obtaining a Compliance Certification
 - June 30, 2025: Municipality shall adopt a Housing Plan and propose drafts of ordinances and resolutions to implement the plan. If a municipality does not adopt a Housing Element and Fair Share Plan by June 30, 2025, the Rules of Court may permit the Program or County Level Judge to allow the municipality to secure a grace period. If a municipality does not adopt a Housing Plan by June 30, 2025 and does not secure a grace period, the municipality will have its immunity revoked.
 - August 31, 2025: Deadline for an interested party to file a challenge to the Housing Plan with the Program. If there is no challenge by this date the Program will begin review of the Housing Plan for consistency with the FHA.

- December 31, 2025: Deadline for a municipality to settle any challenge or provide an explanation as to why it will not make all, or some of the changes brought by the challenge.
- March 15, 2026: Municipality to amend the Housing Plan and implement the agreed upon revisions resulting from a challenge and adopt all pertinent ordinances. The Housing Plan and adopted ordinances shall be immediately filed with the Program.
- Ongoing Compliance
 - Midpoint (2030): Action by municipality or interested party filed to seek a realistic opportunity review of any developments that have not moved forward.

Affordability Requirements

Affordable housing is defined under New Jersey's Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Clinton is in Region 3, which includes Hunterdon, Middlesex and Somerset counties. Moderate-income households are those with annual incomes greater than 50%, but less than 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less than the regional median income. Very low-income households are a subset of "low-income" households and are defined as those with incomes 30% or less than the regional median income.

The Uniform Housing Affordability Controls (hereinafter "UHAC") at *N.J.A.C. 5:80-26.3(d)* and (e) requires that the maximum rent for a qualified unit be affordable to households with incomes 70% or less than the median income for the region, provided the development includes 13% or more very low income units. The number of units priced at 70% of regional median income cannot exceed the number of very low income units plus one additional unit. The average rent must be affordable to households with incomes no greater than 52% of the median income. The maximum sale prices for affordable units must be affordable to households with incomes 70% or less than the median income. The average sale price must be affordable to a household with an income of 55% or less than the median income.

The regional median income is defined using the federal income limits established by Department of Housing and Urban Development (hereinafter "HUD") on an annual basis. In the spring of each year, HUD releases updated regional income limits, and it is from these income limits that the rents and sale prices for affordable units are derived. The table on the following page reflects the 2024 affordable housing regional income limits for Region 3, prepared by Affordable Housing Professionals of New Jersey (AHPNJ).

2024 Income Limits for Region 3					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Median	\$102,340	\$109,650	\$131,580	\$146,200	\$157,896
Moderate	\$81,872	\$93,568	\$105,264	\$116,960	\$126,317
Low	\$51,170	\$58,480	\$65,790	\$73,100	\$78,948
Very Low	\$30,702	\$35,088	\$39,474	\$43,860	\$47,369
Source: 2024 Income Limits prepared by Affordable Housing Professionals of New Jersey, dated April 12, 2024.					

Overview of Compliance Requirements

There are extensive requirements that municipalities must meet to ensure their affordable housing strategies result in a Compliance Certification. Furthermore, those requirements vary by round. The following provides a *brief and summarized* overview of the requirements.

- Rental Obligation. Not less than 25% of affordable units addressing the obligation of a round must be rental housing units.
- Family Obligation. Not less than 50% of affordable units addressing the obligation of a round must be available to families, meaning they are not restricted to a particular population. This obligation does not apply to the first and second rounds.
- Family Rental Obligation. Not less than 50% of the units meeting the rental obligation of a round must be available to families, meaning they are not restricted to a particular population. This obligation does not apply to the first and second rounds.
- Senior Maximum. Up to 30% of affordable units addressing the obligation of a round may be reserved for seniors. The maximum was 25% for the first, second and third rounds.
- Income Distribution of Affordable Units
 - Very Low Income Obligation. Not less than 13% of affordable units created or approved on or after July 1, 2008 must be reserved for very low income units (30% or less than the regional median income). Very low income units are a subset of low income units.
 - Family Very Low Income Obligation. Not less than 50% of the units meeting the very low income obligation must be available to families, meaning they are not restricted to a particular population.
 - Low Income Obligation. Not less than 50% of affordable units in any development must be reserved for low income households (50% or less than the regional median income, which includes very low income units). The remaining may be available to moderate income households (51-80% of regional median income).
- Bedroom Distribution of Affordable Units

- The total bedrooms within the affordable units in any development must be not less than twice the number of affordable units. This requirement does not apply to the first, second or third round.
- Studio and 1-bedroom Units. Not more than 20% of units in any development.
- 2-bedroom Units. Not less than 30% of units in any development.
- 3-bedroom Units. Not less than 20% of units in any development.
- The above requirements do not apply to special needs housing or senior housing.
- Senior developments are subject to a modified bedroom distribution such that the total bedrooms within the affordable units must be not less than the number of affordable units.
- Senior and supportive housing developments with 20 or more affordable units shall have not less than 5% 2-bedroom and 3-bedroom affordable units. This requirement does not apply to the first, second or third round.
- Bonus Credits
 - No more than 25% of the obligation for each round.
 - Only one type of bonus credit may be applied to a unit.
 - Rental bonus credits (1.0) are only applicable to the first, second and third rounds.
 - The following unit types are eligible for 1.0 bonus credit in the fourth round.
 - Supportive and special needs bedrooms.
 - Market to affordable (conversion of a market rate unit to an affordable unit).
 - 100% affordable developments: Units within 100% development provided the municipality supplies the land or a minimum of 3% of the development costs.
 - The following unit types are eligible for 0.5 bonus credit in the fourth round.
 - Partnership with non-profit.
 - Proximity to transit: units within ½ mile of transit (rail, bus, ferry).
 - Senior: limited to 10% of the affordable age-restricted units proposed byt capped at 30% of the obligation.
 - Units with at least three bedrooms above the minimum number required by the bedroom distribution.
 - Redevelopment for units on land previously utilized for retail, office or commercial use.
 - Extension of affordability controls on rental housing only, provided the municipality funds the cost for extension.
 - Very Low-Income units above the 13% required.

AFFORDABLE HOUSING IN CLINTON

In 1984, prior to the enactment of the Fair Housing Act, Clinton Associates sued the Town of Clinton under the Mount Laurel II decision. As part of the Court settlement, the Town of Clinton adopted a Master Plan Update in 1986, including a Housing Element, which determined both the Town's affordable housing obligation and the method by which it would be satisfied. The Town received a Judgment of Repose on February 5, 1986 which provided protection from exclusionary lawsuits for a period of six years.

Clinton's original affordable housing need was established, using the Court approved method, at 105 units, 81 of which were provided for in the original Affordable Housing Plan included in the settlement. As part of its Court certification, the Town rezoned two areas, the PRD tract and the PUD tract, which was later revised to PRD-P. The PRD zone allowed a variety of housing types, including single family detached and multifamily units at a gross density of 7.2 units per acre on a minimum twenty-five acre tract. Known currently as Alton Place, the PRD tract received preliminary subdivision and site plan approval in May 1988 and was revised in December 1995. The site, which is built and occupied, includes 24 single family lots, 135 townhouses and 44 low and moderate for-sale units, for a total of 203 units.

The Town had started to prepare a Housing Element in accordance with Round 2 regulations when representatives of Clinton Associates reappeared before the Planning Board requesting changes to the existing Court-approved plan to allow them to shift the inclusionary residential development out of what had been classified as wetlands under the new State regulations to the buildable portion of the tract. After discussions, an agreement was reached and the PURD zone district regulations were amended in 1999. The new PRD-P zone district, created as part of the PURD zone district amendment, recognized the building constraints on the tract and permitted a gross density of 2.86 units per acre, not to exceed 48 units. Subsequently, Clinton Associates submitted an application for development, which was approved in 2002 and is now known as the Twin Ponds development. Subsequent discussions with the developer and an amended site plan approval saw the developer ultimately construct a total of 60 units, 12 of which are affordable.

In response to COAH's adoption of the third round rules, the Town adopted a third round housing element and fair share plan on June 20, 2006. The Town petitioned COAH for third round substantive certification on July 3, 2006. One objection to the Town's Plan was submitted to COAH. Neither the petition, nor the objection, was acted on by COAH. In response to the COAH/Highland MOU, the Town submitted a resolution notifying COAH of its intent to conform to the Highlands Council's Plan Conformance Guidelines and a resolution notifying COAH of its intent to petition for substantive certification no later than December 8, 2009. On November 12, 2008, COAH granted a waiver from the December 31, 2008 deadline for petitioning COAH established in N.J.A.C. 5:96-16.2. On August 12, 2009, COAH extended the deadline for Clinton to petition for substantive certification until June 8, 2010, which was ultimately met by the Town. Due to circumstances that no one could have foreseen, Clinton's petition was deemed complete by COAH but never acted upon.

Clinton prepared a third round plan pursuant to a 2018 Settlement Agreement between the Town of Clinton and Fair Share Housing Center (hereinafter "FSHC") that set forth the Town's affordable housing obligation and a preliminary summary of how it would be satisfied. FSHC was an interested party in the Town's Declaratory Judgment filed in Superior Court on July 1, 2015 as permitted by the March 10, 2015 NJ Supreme Court decision known as "Mount Laurel IV." That Supreme Court decision rendered COAH "moribund" and created a transitional process for municipalities to seek compliance through the State's

trial courts as opposed to the Council on Affordable Housing (“COAH”) to determine their affordable housing obligation and to seek approval of its Plan to satisfy that obligation.

The 2018 Settlement Agreement between the Town and FSHC was executed on September 18, 2018. Clinton also settled with CM34, the owner of what is commonly referred to as the Moebus tract and a party that was granted intervenor status in the Town’s Declaratory Judgment Action in October of 2018. Through much negotiation, the Town was able to reduce development on the Moebus tract to 56 townhome units and a mix of commercial development opportunities, with 10 affordable housing units to be built off-site at either the former Music Hall property or as part of redevelopment of the Global Agway site. Relatively recent changes to NJDEP’s Inland Flood Protection Rule has obviated redevelopment of Global Agway and Fox Lumber for residential units, and result in an undesirable method of development to locate the 10 off-site affordable units on the Music Hall property. Since the Town was able to realize credits from projects not foreseen at the time of adoption of the third round plan, those 10 units are no longer needed to satisfy the third round obligation and the developer of what is now known as Clinton Commons will instead pay a residential development fee of 1.5% on the 56 townhome units that were recently approved.

In October of 2024, the New Jersey Department of Community Affairs (DCA) released its calculation of fourth round obligations in compliance with A4, and determined the Town had a present need of three (3) units and a prospective need of fifty-four (54) units. Through analysis of the land capacity factor data provided by DCA and in accordance with the process permitted by A4, the Town sought to reduce its obligation to 44 units based on reduction of the land capacity factor, largely owing to identification of vacant land on property with valid development approvals, one of which was the Clinton Commons property. The New Jersey Builder’s Association objected to the reduction, as they did with many other municipalities, and settlement was reached establishing the prospective need obligation at 49 units.

CONSIDERATION OF LANDS MOST APPROPRIATE FOR AFFORDABLE HOUSING

As part of this Plan, the Town considered land that is appropriate for the construction of low- and moderate-income housing. While a durational adjustment is applied to the fourth round obligation due to a lack of public water capacity, there is also a lack of vacant developable land or land that is not environmentally constrained under the policies of the Highlands RMP to support new development. While there are two tracts currently vacant, both have been recently approved for new development, one the Clinton Commons project with 56 townhomes and commercial development and the other for a warehouse. There is 54 acres vacant in the southwest corner of the Town abutting Franklin Township, however that land is classified as Protection Zone in the land use capability mapping provided by the New Jersey Highlands Council. The property is not currently in a sewer service area and the septic density limitations applicable to the Protection Zone mean that septic capacity is less than the normal 2,000 gallons per day permitted by NJDEP. Based on these limitations, that property is not suitable for affordable housing.

Highlands Buildout and RMP Requirements

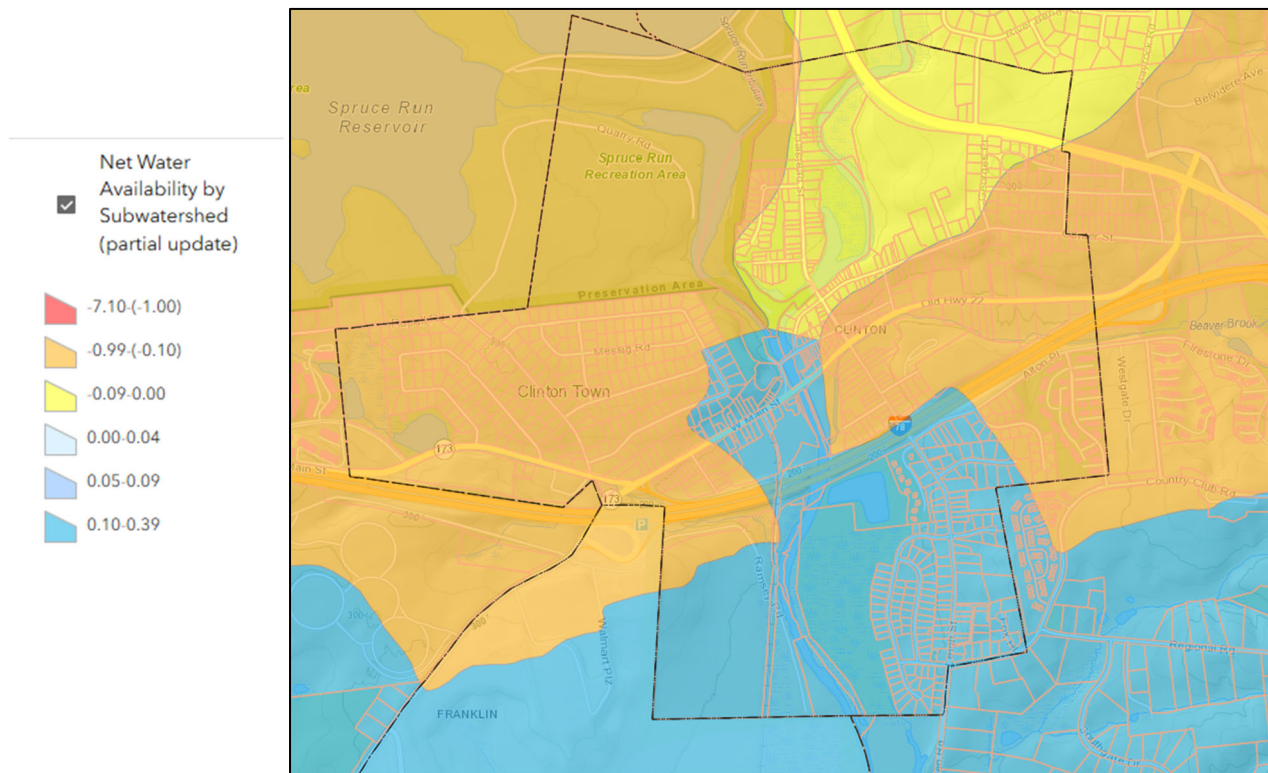
As a municipality fully conforming to the Highlands Regional Master Plan (RMP), Clinton utilized the Highlands Buildout tool to assess lands potentially developable consistent with the requirements of the RMP. After updating base data at the request of the Highlands Council, Council staff forwarded an

updated buildout analysis that indicates three developable parcels. The results of the buildout analysis are included in Appendix 1. It should be noted that of the three developable parcels identified, two have valid development approvals, Clinton Commons (Block 14, Lot 32) for 56 townhomes and commercial uses along Route 31 and Puleo International (Block 18, Lot 5) for a 100,000 square foot warehouse. The third parcel, Block 19, Lot 12.12, is a wooded lot in the center of a cul-de-sac on Pine Ridge Road. Given the durational adjustment applied to the fourth round and the status of each property noted above, the buildout analysis is not relevant in consideration of compliance mechanisms.

In July of 2024, the Highlands RMP was amended by the Highlands Council to specifically address affordable housing-related policies “to inform the appropriate location for affordable housing in the Highlands region.” While amendments to the Fair Housing Act required the Regional Master Plan be taken into account in determining municipal obligations, conforming municipalities bear an obligation to ensure that housing plans meet the resource protection requirements of the RMP.

The durational adjustment sought by Clinton is consistent with RMP policies related to water availability. All new residential development that has occurred over the last 10-15 years has included a setaside of units affordable to low and moderate income households, including View 22, Halstead Place and Twin Ponds. Water system capacity available at the time was prioritized for these projects, consistent with RMP policies.

Of the four subwatersheds that cover the Town of Clinton, only the Raritan R SB (River Rd. to Spruce Run) shows net water available. The remaining three are in deficit, which limits available water beyond what has already been approved by NJDEP and the Highlands Council. In the case of Clinton, previous interaction with the Highlands Council yielded the ability to increase allocations, however, that one-time increase has already been consumed, leaving capacity at approximately 6,018 gallon at present. The map on the following page shows Net Water Availability for Clinton by subwatershed, documenting the regulatory constraints that limit the ability to increase capacity for the water system.



The July 2024 RMP amendment also discusses how the provision of affordable housing in conforming municipalities must address policies related to land use capability zones and resource protection standards requiring open water buffers, protection of prime groundwater recharge areas, development in severe steep slope areas and protection of critical habitat.

Clinton will maintain consistency with the RMP policies through its land use ordinance covering the Planning Area portion of Town. The requirements of the RMP are part of the land use ordinance, which is reviewed by Land Use Board professionals as part of development applications, and projects must meet the standards required for protection of Highlands resources. More detailed discussion is presented on Page 18 of this plan relative to these requirements and how they will be implemented for the lone project in the Town's third round plan awaiting construction, the Holiday Inn independent living component.

OPPORTUNITY FOR MULTIGENERATIONAL HOUSING

The Fair Housing Act requires "an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission". As of the date of this Housing Plan, there have been no recommendations by the Multigenerational Family Housing Continuity Commission on which to provide the required analysis. However, the Commission has the primary goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity. Town land use policies are not in conflict with this goal and much of the Town's housing stock is large enough to accommodate multigenerational

living. Nothing in the Land Use Ordinance prohibits creation of additional living space consisting of a bedroom and bathroom, but inclusion of separate kitchen facilities would constitute a second dwelling unit, which is not permitted but is also not necessary to permit multigenerational living.

DEMOGRAPHIC, HOUSING & EMPLOYMENT ANALYSIS

See Appendix 2 to the Housing Plan for this analysis.

AFFORDABLE HOUSING OBLIGATION & SATISFACTION

Fourth round housing plans must address four components of a municipality's affordable housing obligation. These include the rehabilitation obligation to improve substandard housing occupied by low- and moderate-income households, the first and second round obligation of new construction from 1987 to 1999, third round obligation of new construction from 1999 to 2025, and the fourth round obligation of new construction from 2025 to 2035.

The map in Appendix 3 depicts the location of the projects described in the following sections and updates the map provided in the Town's third round compliance plan.

Rehabilitation Obligation: 3 units

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Clinton that are occupied by low- and moderate-income households. The Fair Housing Act, *N.J.S.A. 52:27D-304.3.b.*, describes present need as being determined by "estimating the existing deficient housing units currently occupied by low- and moderate-income households within the municipality, following a methodology comparable to the methodology used to determine third round present need, through the use of datasets made available through the federal decennial census and the American Community Survey, including the Comprehensive Housing Affordability Strategy dataset thereof." The DCA calculated municipal present need obligations in *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background*, released on or about October 18, 2024. This DCA Report calculated a rehabilitation obligation of 3-units for the Town. This obligation was accepted in the Town's binding resolution and was assigned to the Town in the April 8, 2025 Order issued by the Hon. William G. Mennen, J. S. C.

The Town will address this obligation through continuation of its housing rehabilitation program, which will be funded by the Town's affordable housing trust fund. Community Grants, Planning and Housing is Clinton's housing administrator, and they will update the housing rehabilitation program manual (if necessary) and market the program. The Town's existing rehabilitation program manual is provided in Appendix 4.

First & Second Rounds Obligation: 51 units, Fully Satisfied

Clinton Town's first and second round obligation, also referred to as the prior round obligation, is 51 units. This obligation is defined as the cumulative new construction obligation from 1987 through 1999 (1987-1993 is the first round; 1993-1999 is the second round). The Town's obligation was published by COAH in

2008 and originally calculated in 1993-1994 pursuant to N.J.A.C 5:93. This 51-unit obligation is satisfied with the projects identified in the table below, and a description of each mechanism is included below the table. Documentation on the creditworthiness of these units was previously provided with the Town's third round plan.

Satisfaction of the 51-unit Prior Round Obligation			
Program	Units	Bonus Credits	Total Credits
Alton Place	14	0	14
Twin Ponds	12	12	24
Halstead Place	1	1	2
Hunterdon ARC Group Home	4	0	4
NAMI House	4	0	4
Accessory Apts.	3	0	3
Total			51

Alton Place

Alton Place is an existing inclusionary development consisting of a total of 135 market rate units and 44 affordable family for-sale units. The affordable housing units were initially occupied in 1999 and deed restrictions requiring affordability through at least 2029 are in place. 14 of the 44 units in this project will be applied to the first and second round.

Twin Ponds

This inclusionary development was constructed and ultimately occupied in 2015 and includes a total of 60 rental units, 12 of which are affordable. All 12 units are applied towards the first and second round obligation and each unit is eligible for rental bonus credit, yielding a total of 24 credits. Deed restrictions requiring the units to remain affordable are in place through 2045 and were provided in the Town's third round plan.

Halstead Place

This inclusionary rental project, constructed and first occupied in 2017, consists of a total of 35 units, 7 of which are affordable. 1 of the affordable units, along with 1 rental bonus credit will be applied towards the first and second round obligation. Deed restrictions require affordability controls until at least 2047 and were provided with the Town's third round plan.

Hunterdon ARC Group Home

Hunterdon ARC operated a special needs facility at Block 29.01, Lot 8 from 1980 to 2002. While no longer in existence, it contained a total of four bedrooms and had affordability controls of more than 10 years during the Second Round, making each bedroom eligible for credit. All 4 bedrooms are applied towards the first and second round obligation.

NAMI House

NAMI House was a special needs facility operated by the Hunterdon Alliance under license from the Division of Mental Health Services. It was located at Block 25, Lot 17 with an address of 23 ½ West Main Street and had four bedrooms in operation from 1995 to 2016. As such, the Town is eligible to receive credit for each of the bedrooms, which are all applied towards the first and second round obligation.

Accessory Apartments

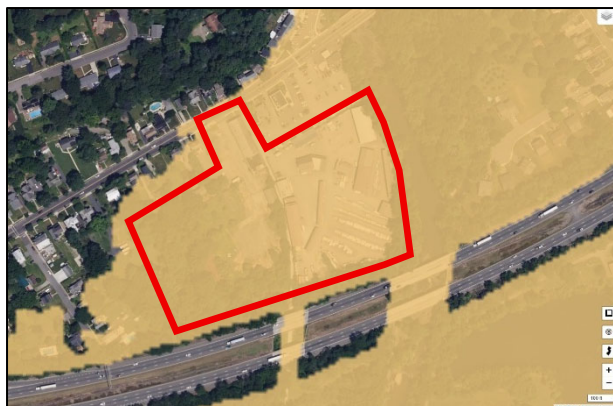
The Town approved 2 accessory apartments at 102 West Main Street, Block 1, Lot 33, that are currently occupied and administered by the Town. An additional accessory apartment was approved at 19-21 Main Street, Block 11, Lots 6 and 7; that apartment is also occupied. All three apartments meet the requirements for credit and are applied to the first and second round obligation.

Third Round Obligation: 116 Units, Fully Satisfied

Clinton's third round obligation is 116 units, as established in a settlement agreement with Fair Share Housing Center and addressed through the Town's court-approved third round plan. The table on the following page summarizes the mechanisms addressing the obligation, but it should be noted there are departures from the court-approved plan that resulted from changes to NJDEP's Inland Flood Protection Rule. As noted previously, the two redevelopment projects for Global Agway and Fox Lumber can no longer include residential development as dry access required by the rule cannot be provided. While there is a waiver in the rule related to designated redevelopment areas, discussion with NJDEP revealed that a waiver would not be granted for these two sites. Further, the Town questioned the wisdom of residential development that would be located entirely within an established flood hazard area. The images on the following page show the FEMA designated 100 year flood hazard area for the Global Agway and Fox Lumber properties (outlined in red) along with the FEMA 100 year flood hazard area plus the 3 foot elevation increase required by the Inland Flood Protection Rule. As shown, the flood hazard area now encompasses the entirety of West Main Street such that safe, dry access cannot be provided in accordance with NJDEP's rules.



FEMA 100 Year Flood Hazard Area.



FEMA 100 Year Flood Hazard Area +3'.

Source: NJ Smart Growth Explorer – nj-map.com

Another change relates to the 10 off-site units associated with the project now known as Clinton Commons, which were anticipated to be constructed as part of or adjacent to the Global Agway redevelopment project. The same dry access requirement would be applicable to the off-site units, and the resulting development approach, essentially building a bathtub out of retaining walls to support a building and parking, is contrary to the historic character of the area and would also negatively impact redevelopment efforts on surrounding properties. As such, the developer of Clinton Commons will instead pay a residential development fee of 1.5% on the 56 townhome units, generating development fees to support the Town's rehabilitation program.

Clinton's Land Use Board approved a use variance to permit the owner of the Holiday Inn to convert the hotel to an assisted living facility, which is now complete. Pursuant to State licensing regulations, a minimum of 10% of the total beds in the facility (114) must be reserved for Medicaid patients, which qualify them for very low income age-restricted credits and provide 12 credits towards the Town's third round obligation. A second component of the age-restricted concept for the property will be independent living units, which will total a minimum of 80 units. This represents a change from the approved third round plan in that 50 family rental units were anticipated and zoned for. The result will be six (6) additional affordable housing units above the ten (10) anticipated in the third round plan. Pursuant to the requirements of the Highlands Regional Master Plan, a minimum of 20% of the units must be deed restricted for low and moderate income households, providing a total of 16 age-restricted credits.

Satisfaction of the 116 Unit Third Round Obligation			
Program	Units	Bonus Credits	Total Credits
Alton Place	30	0	30
Halstead Place	6	6	12
Holiday Inn Independent Living	16	0	16
A&P Redevelopment	24	23	47
Holiday Inn Assisted Living	12	0	12
Total			117
Surplus			1

Alton Place

Alton Place is an existing inclusionary development consisting of a total of 135 market rate units and 44 affordable family for-sale units. The affordable housing units were initially occupied in 1999 and deed restrictions requiring affordability through at least 2029 are in place. 30 of the 44 units in this project will be applied to the third round obligation. Documentation on the creditworthiness of these units was provided in the Town's third round plan.

Halstead Place

This inclusionary rental project, constructed and first occupied in 2017, consists of a total of 35 units, 7 of which are affordable. 6 of the remaining affordable units, along with 6 rental bonus credits will be applied towards the Prior Round Obligation. Deed restrictions require affordability controls until at least 2047, and documentation to this effect was provided in the Town's third round plan.

Holiday Inn Independent Living

This site is planned for a minimum of 80 age-restricted independent living units, 16 of which will be affordable to low and moderate income households. The site, Block 3, Lot 2.2, is a 2.27 acre lot located on the south side of West Main Street (State Route 173) immediately across from Kinter Street in the western part of the Town. The lot is bordered by Route 78 to the south, a municipal park to the north and an assisted living facility to the immediate east. This lot was created via a minor subdivision approved by the Land Use Board in 2017.

The site has over 500 feet of frontage on Route 173 and the potential developer has provided concept plans that utilize existing access and parking areas. See discussion on the following page for particulars related to Highlands RMP requirements.

As required by in N.J.A.C. 5:93-5.3, affordable housing sites shall be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3., for the production of low and moderate income housing. As demonstrated below, the site meets these criteria.

- The site has a clear title and is free of encumbrances which could preclude development of affordable housing.
- The site is adjacent to compatible land uses and has access to appropriate streets. The site proposes to utilize existing access and parking formerly associated with the hotel use. Twin Ponds, another affordable inclusionary development already constructed, is located in the immediate area and single family residential homes are located north of Route 173.
- Adequate sewer and water capacity is available. Water service will be provided by the Town of Clinton and the property is located within an existing sewer service and water service area.
- The site can be developed in accordance with the New Jersey Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the "State Plan") and the rules and regulations of all agencies with jurisdiction over the site.

- Pursuant to the adopted 2001 State Plan, the site is located in the Suburban Planning Area, PA-2, an area targeted for the State's growth. It is also located within the Highlands Planning Area, will be served by public water and sewer, and is proximate to significant retail shopping, services, job opportunities, and public transit.
- The site will comply with all applicable environmental regulations. The site contains limited steep slopes in the area of development, and any wetlands, stream corridors or flood hazard are outside the area proposed for development.
- The site will not impact any historic or architecturally important sites and districts. The site is not located in or proximate to a historic district that would preclude development of residential units.

In addition to site suitability, the project will meet the applicable requirements for affordable housing projects in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- Controls on Affordability. The affordable units will have minimum 40-year affordability controls in accordance with UHAC regulations.
- Bedroom Distribution. Bedroom distribution is not required for age-restricted units, but the number of bedrooms will equal the number of units, as required.

The site is located in the existing community zone and the existing community environmentally constrained subzone as mapped in the Highlands Regional Master Plan (RMP). Improvements to the greatest extent practical will be located in the existing community zone portion of the site. Critical wildlife habitat and total forest area identified are located in areas that will not be disturbed, essentially at the fringe of the undeveloped portion of the property along Route 173 and Interstate Route 78. Although there is an open water buffer associated with the stream along Route 173, development will occur on a

part of the site that has already been disturbed. There is a small area of severely constrained slopes in the already disturbed portion of the site that will potentially be impacted by construction, however, some of these slopes may be manmade.

Assessing criteria from the New Jersey Highlands Council's "Highlands Municipal Affordable Housing Guidelines" reveals the site is suitable for inclusionary development in the context of the RMP's goals. While the site is not proximate to public transit opportunities, it has access to the existing sidewalk network providing the ability to walk to shopping and services. A host of shopping and service uses are easily accessible by car within a short distance, including a grocery store and big box retail store. Water and sewer are available to support the units proposed as some form of this project was anticipated in the third round plan and accounted for. Recreational opportunities surround the site, with ready access to a municipal park across Route 173 as well as to the Lower Landsdown Trail on West Main Street, both of which are within walking distance. Development of the site will comply with all NJDEP rules, including the Inland Flood Protection Rule. The site is not located near industrial or other uses that pose potential health and safety impacts. Relative to impact to regulated environmental resources of the Highlands Region, the paragraph above details resource factors present on the site and confirms there will be no substantial impact to these resources. Development of the site will have to comply with the requirements of the land use ordinance for the Planning Area recently adopted by the Town as part of the zoning ordinance.

A draft ordinance amending the standards of the AH-1 zone district is provided in Appendix 4.

A&P Redevelopment

In September of 2019, the Land Use Board completed a preliminary investigation of approximately 17 acres of land on the north side of Old Highway 22 and recommended to the Mayor and Council that the area be designated an area in need of redevelopment under the provisions of the Local Redevelopment and Housing Law. This recommendation was accepted by the Mayor and Council, who designated the Old Highway 22 Redevelopment Area as an area in need of redevelopment by resolution in November. A redevelopment plan was adopted for the property.

Subsequently Ingerman, an experienced affordable housing developer, purchased the property, received site plan approval from the Land Use Board, and constructed a 120-unit family rental project that includes 24 deed-restricted affordable housing units, all of which meet requirements related to bedroom distribution, low/mod split and the number of very low income units as summarized in the table on the following page. This project, known as View 22, is almost fully occupied. As this project was only planned when the third round plan was approved by the Court, documentation on these units is provided in Appendix 5. The table on the following page shows the bedroom and income mix for the affordable housing units, which complies with UHAC requirements.

View 22 – Bedroom and Income Mix				
Number of Bedrooms	Very Low Units	Low Units	Moderate Units	Total
1 bedroom	1	1	2	4
2 bedroom	2	5	8	15
3 bedroom	1	2	2	5
Total	4 (16.7%)	8	12	24

Holiday Inn Assisted Living

As noted previously, the owner of the Holiday Inn hotel received approval from the Land Use Board to convert the building to an assisted living facility, which is now open. As part of its licensing by the State and in accordance with N.J.S.A. 26:2H-12.16 and N.J.A.C. 8:36.5.1(h), at least 10% of the beds must be reserved for Medicaid patients within 3 years of opening, a requirement that is monitored by the State annually. These beds therefore qualify as very low income age-restricted credits. A total of 12 beds, confirmed by the owner, are reserved and are applied as credits towards the third round obligation.

Third Round Minimum Requirements

In addition to meeting the total 116 unit obligation, the Town must also meet minimum and maximum requirements related to the rental obligation, maximum number of age-restricted units, minimum family unit obligation, and the minimum very low income unit obligation of 13%. These requirements are detailed below.

Minimum Rental Obligation = 29 units

.25 (obligation) = Minimum # rental units or .25 (116) = **29 units**

This obligation is satisfied with A&P redevelopment and Halstead Place projects, which total 31 units.

Maximum Senior Units = 29 units

.25 (obligation) = Maximum # age-restricted units or .25 (116) = **29 units**

With 16 age-restricted independent living units and 12 beds as part of the assisted living facility already constructed, a total of 28 age-restricted credits are proposed.

Minimum Family Unit Obligation = 58 units

.50 (obligation) = Minimum # family units or .50 (116) = **58 units**

This obligation is satisfied with the A&P Redevelopment, Halstead Place and Alton Place sites, which total 60 family affordable units.

Minimum Family Rental Obligation= 15 units

.50 (rental obligation) = Minimum # Family Rental Units or .50 (29) = 14.5 units, rounded up to 15 units.

This obligation is satisfied and exceeded with the A&P Redevelopment project, which contains a total of 24 family rental units.

Minimum Very Low Income Unit Obligation = 10 units

.13 (units created or approved on or after July 1, 2008) = Minimum # very low income units or .13 (71) = 9.23, rounded up to 10 units

This obligation is satisfied with 1 existing very low income unit in the Halstead Place project, 4 existing very low income units in the A&P Redevelopment project, 12 existing very low income credits for the assisted living beds and 2 existing very low income units at Twin Ponds. There are 3 additional very low income units anticipated with the age-restricted units at the Holiday Inn site. The total number of very low income units is 22, 10 units not considering the assisted living beds.

Fourth Round Obligation***Present Need (Rehabilitation Share)***

As calculated by DCA, Clinton's present need for the fourth round is three (3) units. The Town will continue its rehabilitation program utilizing affordable housing trust fund money as discussed in the spending plan. The rehabilitation manual is provided in Appendix 6, but will be updated by the Town's administrative agent Community Grants, Planning and Housing as needed prior to marketing of the rehabilitation program. Rehabilitation will be available for rental units provided income qualification requirements can be met and appropriate deed restrictions can be implemented.

Prospective Need

Clinton's fourth round obligation (also referred to as the prospective need) is 49 units. This obligation is defined as the new construction obligation for 2025-2035. The Fair Housing Act, *N.J.S.A. 52:27D-304.3.b.*, describes the obligation as a "projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations".

The methodology to calculate the obligation begins with determining the need for affordable housing in which the municipality is located. That regional need is then allocated to each municipality in the region, excluding qualified urban aid municipalities, based on an average of three factors: 1) equalized nonresidential valuation factor, which serves as a proxy for the municipal share of the region's change in employment during the previous affordable housing round, 2) income capacity factor, which is the municipal share of the region's median household income, and 3) land capacity factor, which is the municipal share of the region's developable land.

The DCA calculated municipal fourth round obligations in *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background*, released on or about October 18, 2024. This DCA Report calculated a fourth round obligation of 54 units for the Town. Through analysis of land capacity factor data provided by DCA and in accordance with the requirements of the law, it was determined that all land identified was not in fact developable, and the Town sought to reduce its obligation to 44 units. Challenged by the New Jersey Builder's Association, settlement was reached establishing the fourth round obligation at 49 units, which was set in an order signed by Judge William G. Mennen, J.S.C. on April 8, 2025.

Potential Fourth Round Strategies

While the Town's eligibility for a durational adjustment limits compliance actions required at this time, the Town nonetheless seeks opportunities to create affordable housing units where possible. The following provides a summary of potential mechanisms to be utilized:

- Supportive housing: While the Town had supportive housing credits in the prior round, nothing new came to fruition after that. Given these units don't have significant demand for water and sewer, they are appropriate for consideration should such opportunity arise.
- Mandatory setaside ordinance: Given that small-scale residential projects are possible in the future, the Town will adopt a mandatory setaside ordinance and require that when 5 units are approved, a 20% affordable housing setaside must be provided. The draft mandatory setaside ordinance is provided in Appendix 7.

Durational Adjustment

The Town is entitled to a durational adjustment as water capacity is limited at this point and substantial new development cannot be supported. Clinton will comply with the applicable COAH rules regarding durational adjustments to satisfy the fourth round obligation. This means, as set forth in *N.J.A.C. 5:93-4.3(c)*, the requirement to address the fourth round obligation of 49 units is deferred until adequate water and/or sewer are made available. As such, the Town commits to complying with the following, which is stated in *N.J.A.C. 5:93-4.3*:

1. Notwithstanding the lack of adequate water and/or sewer at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new water and/or sewer capacity, when it becomes available, for low and moderate income housing, on a priority basis.
2. Municipal officials shall endorse all applications to the DEP or its agent to provide water and/or sewer capacity. Such endorsements shall be simultaneously submitted to the Council.
3. Where the DEP or its designated agent approves a proposal to provide infrastructure to a site for the development of low and moderate income housing identified in the housing element, the municipality shall permit such development; and
4. Where a municipality has designated sites for low and moderate income housing that lack adequate water and/or sewer and where the DEP or its designated agent approves a proposal to provide water and/or sewer to a site other than those designated for the development of low and moderate income housing in the housing element, the municipality shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the Council within 90 days of the site's approval by the DEP or its agent.

As reflected above, the Town is not proposing a waiver from durational adjustment provisions, such as the requirement to endorse applications to DEP or its agent to provide water and/or sewer capacity.

Distribution of Fourth Round Units

In addition to meeting the total 49 unit fourth round obligation, the Town must also meet a rental obligation, maximum senior units, family obligation, very low income obligation, and maximum bonus credits, as set forth in the Fair Housing Act. These obligations may be amended should bonus credits be applied to the fourth round obligation. Compliance with these requirements is noted prospectively and will be applied should development occur.

Maximum Bonus = 25 credits

- Maximum bonus credits = 25% (obligation) | $25\% (49) = 12.25$, rounded up to 13 units.
- Satisfaction is deferred, consistent with the durational adjustment.

Minimum Rental = 13 units

- Minimum rental units = 25% (of units meeting the obligation) | $25\% (49) = 12.25$, rounded up to 13 units
- Satisfaction is deferred, consistent with the durational adjustment.

Maximum Senior = 14 units

- Maximum age-restricted units = 30% (units meeting the obligation) | $30\% (49) = 14.7$, rounded down to 14 units
- Satisfaction is deferred, consistent with the durational adjustment.

Minimum Family = 25 units

- Minimum family units = 50% (units meeting the obligation) | $50\% (49) = 24.5$ units, rounded up to 25 units
- Satisfaction is deferred, consistent with the durational adjustment.

Minimum Family Rental = 7 units

- Minimum family rental = 50% (rental obligation) | $50\% (13) = 6.5$ units round up to 7 units
- Satisfaction is deferred, consistent with the durational adjustment.

Minimum Very Low Income = 7 units

- Minimum very low income units = 13% (fourth round units created or approved on or after July 1, 2008) | $13\% (49) = 6.37$, rounded up to 7 units
- Satisfaction is deferred, consistent with the durational adjustment.

Minimum Family Very Low Income = 7 units

- Minimum family very low income units = 50% (very low income obligation) | $13\% (7) = 0.91$ units, rounded up to 1 unit
- Satisfaction is deferred, consistent with the durational adjustment.

Affordability Assistance

As required, the Town will undertake a variety of affordability assistance activities to render units more affordable. These strategies are outlined in the spending plan (Appendix 12) and the affordability assistance program manual is provided in Appendix 8.

CONSISTENCY WITH THE STATE DEVELOPMENT AND REDEVELOPMENT PLAN

As noted in the State Plan policy maps, areas within the Highlands Region utilize land use capability designations of the Highlands Regional Master Plan rather than traditional planning areas. Although planning area-specific policies cannot be assessed, the Town's approach to affordable housing is generally consistent with the statewide goals of the State Development and Redevelopment Plan. Most notable are:

- Revitalize the State's cities and towns
- Conserve the State's natural resources and systems
- Provide adequate housing at a reasonable cost

AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Clinton Town's Affordable Housing Ordinance is, or will be amended to be, consistent with the Fair Housing Act, the Uniform Housing Affordability Control Rules, *N.J.A.C. 5:80-26.1 et seq.*, and the Division of Local Planning Services Fair Housing Act Rules, *N.J.A.C. 5:99*. As of the adoption of this Housing Plan, the latter two are in the process of being amended, therefore the existing ordinance will be relied upon until such time as those regulations are finalized. Ordinances adopted by March of 2026 will reflect appropriate requirements. The current affordable housing ordinance is provided in Appendix 9.

The Town's Affordable Housing Ordinance, Chapter 88, Article X, governs the establishment of affordable units in the Town as well as regulating the occupancy of such units. The Town's Affordable Housing Ordinance addresses the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc. All newly created affordable units, with limited exceptions, will comply with the affordability control period of 30 years for sale units or 40 years for rental units, as required by the Fair Housing Act and the Uniform Housing Affordability Control Rules.

The Town has established the position of the Municipal Housing Liaison and appointed Richard Phelan, Business Administrator, to the position. However, the Town will likely rely on its affordable housing administrator to conduct the administration and affirmative marketing of its affordable housing sites that will not be administered by the developers and for the rehabilitation and extension of expiring controls programs. It is expected that all developers will administer their own affordable housing units.

The Town's affirmative marketing plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those

potentially eligible persons who are least likely to apply for affordable units and who reside in the Township's housing region (Region 3), consisting of Hunterdon, Somerset and Middlesex counties.

The affirmative marketing plans include regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance with N.J.A.C. 5:80-26.1 et seq. This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. A copy of the affirmative market plan is provided in Appendix 10.

AFFORDABLE HOUSING TRUST FUND

Clinton will adopt the development fee ordinance included in Appendix 11. The Town has prepared a new Spending Plan, provided in Appendix 12, which discusses anticipated revenues, collection of revenues, and the use of revenues, and it has been prepared in accordance with currently applicable rules. It should be noted, however, that 5:99, the Fair Housing Act Rules, which set forth requirements related to spending plans, are not yet finalized. All collected revenues will be placed in the Town's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

- Affordability assistance program; and
- Extension of expiring controls program; and
- Rehabilitation program; and
- Subsidy for supportive housing; and
- Any other activity as specified in the approved spending plan.

The Town is required to fund eligible programs in a Court-approved Housing Element and Fair Share Plan, as well as provide affordability assistance. At least 30% of collected development fees, excluding expenditures made since July 17, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year shall 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. The spending plan prepared reflects these requirements, but once amendments to 5:99 are finalized, the Town reserves the right to amend its spending plan related to affordability assistance requirements, which are proposed to change.

REQUIREMENTS OF THE THIRD ROUND SETTLEMENT AGREEMENT WITH FSHC

As part of its settlement with FSHC, the Town stipulated to certain requirements, which are summarized below and will continue to be met relative to the prior and third round obligation.

1. The Town agrees to require 13% of all units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families.
2. The Town shall meet its Third Round Obligation in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
 - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least 50 percent of the units addressing the Third Round Obligation shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round Obligation shall be met through rental units, including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round Obligation in total must be available to families.
 - e. The Town agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
3. The Town shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the New Brunswick, Plainfield Area, Perth Amboy, Warren/Sussex, and Metuchen/Edison branches of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center, and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Town also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
4. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Town as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Town annually within 30 days of the publication of determinations of median income by HUD as follows:
 - a. Regional income limits shall be established for the region that the Town is located within (i.e. Region 3) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Town's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80

percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- b. The income limits attached hereto as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2017, and shall be utilized until the Town updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
 - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Town annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
 - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
5. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
 6. The parties agree that if a decision of a court of competent jurisdiction in Hunterdon County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Town for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round Obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Town may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Town shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Town's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Town prevails in reducing its Third Round Obligation, the Town may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
 7. The Town shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement 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). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Town, and on every anniversary of that date thereafter through the end of

the period of protection from litigation referenced in this Agreement, the Town agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

8. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Town agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
9. The Fair Housing Act includes two provisions regarding action to be taken by the Town during the ten-year period of protection provided in this Agreement. The Town agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Town will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.
 - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Town will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.

Appendix 1

Existing and Proposed Affordable Housing Sites and Highlands Developable Parcels

Town of Clinton
Hunterdon County, New Jersey



Legend

- Highlands Developable Parcels
- Existing and Proposed Affordable Housing Sites

Map Prepared by:
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0 550 1,100 Feet

Map Scale - 1:13,200
1"=1,100'



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DS © 2025 TomTom



POLICY
PLANNING
DESIGN

Data Sources: NJOT

Appendix 2

2025 FOURTH ROUND HOUSING PLAN

HOUSING, DEMOGRAPHIC AND EMPLOYMENT ANALYSIS
TOWN OF CLINTON
HUNTERDON COUNTY
NEW JERSEY

MAY 16, 2025

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DEMOGRAPHIC ANALYSIS

The population of the Town of Clinton (“Clinton” or the “Town”) grew steadily during the latter half of the twentieth century (Table 1). From 1940 to 2000, the number of Clinton residents rose from 1,066 to 2,632 persons, a pace well under the comparable figures for Hunterdon County and New Jersey. The period of greatest growth occurred between 1960 and 1970, when the towns’ population increased by 50.4%. People continued to come during the rest of the twentieth century, particularly in the 1990s, when the population grew by 28.1%. If the twentieth century was marked by moderate population growth, the twenty-first century is distinguished by a minimal population increase. To be precise, the population of Clinton increased by only 3.3% in the 2000s and 2.0% in the 2010s. While the increase for Clinton lagged Hunterdon County’s population growth during the 2000s, it outpaced it during the 2010s. In the 2010s, the population of the Garden State increase at a rate of 5.7%, greatly exceeding the Town of Clinton. It should be noted here that although the total population data in Table 1 is drawn from various U.S. Census Bureau (“Census Bureau”) decennial censuses, all subsequent Census Bureau data contained herein comes from the 2019-2023 American Community Survey (“ACS”), which is calculated as a 5-year estimate.

Table 1: Population Trends (1940-2020)

Year	Clinton		Hunterdon County		New Jersey	
	Total Population	% Change, Decade-on-Decade	Total Population	% Change, Decade-on-Decade	Total Population	% Change, Decade-on-Decade
1940	1,066	--	36,766	--	4,160,165	--
1950	1,118	4.9%	42,736	16.2%	4,835,329	16.2%
1960	1,158	3.6%	54,107	26.6%	6,066,782	25.5%
1970	1,742	50.4%	69,718	28.9%	7,171,112	18.2%
1980	1,910	9.6%	87,361	25.3%	7,364,823	2.7%
1990	2,054	7.5%	107,776	23.4%	7,730,188	5.0%
2000	2,632	28.1%	121,989	13.2%	8,414,350	8.9%
2010	2,719	3.3%	128,349	5.2%	8,791,894	4.5%
2020	2,773	2.0%	128,947	0.5%	9,288,944	5.7%

Source: U.S. Census Bureau, Various Decennial Censuses; N.J. Department of Labor and Workforce Development

Table 2 shows the population cohorts in Clinton as of 2023. The distribution is relatively balanced, with an almost even split between males (50.5%) and females (49.5%) within the community. The largest age group overall is persons between 35 and 54 years, making up 24% of the population. The 5 to 19 years age group has the second-highest share of population (22.1%) and the greatest gender disparity, with a higher male percentage (24.7%) compared to females (19.3%). Strikingly, only 3.0% of the population is under the age of 5, suggesting a birth rate that is unsubstantial. The community has a median age of 38.2 years old, which is less than Hunterdon County (46.2) and New Jersey (40.1).

Table 2: Population by Age and Sex

Age Group	Total Population		Male		Female	
	Number	% of Population	Number	% of Population	Number	% of Population
Under 5 years	84	3.0%	43	3.1%	41	3.0%
5 to 19 years	614	22.1%	348	24.7%	266	19.3%
20 to 34 years	609	21.9%	297	21.1%	312	22.7%
35 to 54 years	668	24.0%	345	24.5%	323	23.5%
55 to 64 years	446	16.0%	203	14.4%	243	17.6%
65 years and over	363	13.0%	171	12.2%	192	13.9%
Total	2,784	100.0%	1,407	100.0%	1,377	100.0%
Median Age (years)	38.2		36.1		39.9	

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The population of Clinton is growing older. Table 3 illustrates the changes among the various cohorts between 2013 and 2023. During that time, the “20 to 34 years” cohort increased by 200 persons, which is slightly less than the 261-person increase of the two oldest cohorts combined. At the same time, the rest of the population decreased by 381 persons. The upshot is the population increased by 80 persons. The cohort for children under 5 years declined by 41.3%, but only 3.6% for children 5 to 19 years old. While the community’s composition is certainly changing to one of retirees, it appears that despite the recent downward shift in the youngest age categories, it is also positioned to become one of families.

Table 3: Population Change by Age (2013-2023)

Age Group	2013		2023		Change, 2013 to 2023	
	Number	%, Total Population	Number	%, Total Population	Total Change	% Change
Under 5 years	143	5.3%	84	3.0%	-59	-41.3%
5 to 19 years	637	23.6%	614	22.1%	-23	-3.6%
20 to 34 years	409	15.1%	609	21.9%	200	48.9%
35 to 54 years	967	35.8%	668	24.0%	-299	-30.9%
55 to 64 years	261	9.7%	446	16.0%	185	70.9%
65 years and over	287	10.6%	363	13.0%	76	26.5%

Source: U.S. Census Bureau, 2009-2013 and 2019-2023 American Community Survey 5-Year Estimates

A household is defined by the Census Bureau as those persons who occupy a single room or group of rooms that constitute a unit of housing, and that these persons may or may not be related. A family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, who live in the same household.

Table 4 shows the frequency of household size types for both family and nonfamily households. Clinton has a substantial population of persons living alone. One-person households account for one in five households in the municipality. This is comparable to the rest of the county where 22.3% of households consist of only one person. Despite the drop in the school-age population, Clinton still has a number of larger households. Of all households in the community, 8.5% consist of five persons or more. Two-person households are the most common household size in Clinton, with 38.9% of households in all. The second most common is the four-person household, which represents 22.5% of Clinton households.

Table 4: Household Size

Household Size	Clinton		Hunterdon County		New Jersey	
	Total	%	Total	%	Total	%
1-person	212	20.2%	11,214	22.3%	918,897	26.4%
2-person	408	38.9%	19,316	38.4%	1,081,842	31.1%
3-person	102	9.7%	8,559	17.0%	594,946	17.1%
4-person	236	22.5%	7,323	14.6%	530,520	15.3%
5-person	47	4.5%	2,842	5.6%	218,492	6.3%
6-person	33	3.1%	721	1.4%	79,678	2.3%
7+-person Household	11	1.0%	347	0.7%	53,980	1.6%
Households, Total	1,049	100.0%	50,322	100.0%	3,478,355	100.0%
Average Household Size	2.65		2.52		2.61	

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

Census Bureau data on families and household types contain insights into the community's household trends. As shown in Table 5, married couples live in 59.4% of households, a number slightly below Hunterdon County (61.9%) and slightly more than the rest of the state, where only one in two households include a married couple. Clinton retains its status as a locale for families, with 33.3% of households having at least one member under the age of 18. At the opposite end of the age spectrum, 26.6% of households have at least one person over the age of 65 years old. Given the number of larger households, it is possible that a sizable number of aging residents live with adult children who can take care of them and help maintain their properties. The aging of the population should be kept in mind as future housing needs and senior services are planned.

Table 5: Household and Family Types

Household Type	Clinton	Hunterdon County	New Jersey
Married couple	59.4%	61.9%	50.0%
Cohabiting couple	3.5%	5.6%	6.6%
Male householder, no spouse/partner present	15.1%	13.0%	16.1%
Female householder, no spouse/partner present	22.0%	19.5%	27.3%

Household Type	Clinton	Hunterdon County	New Jersey
Household with at least one person under 18	33.3%	28.7%	31.4%
Household with at least one person over 65	26.6%	35.8%	32.5%
Average Household Size	2.65	2.52	2.61
Average Family Size	3.12	2.98	3.19
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Table 6 shows the number of persons and the education level obtained as a percentage. Clinton is a highly educated enclave in a relatively well-educated county. Of all residents at least 25 years of age, 59.4% have at least a bachelor's degree and 22.7% possess a graduate or professional degree. These educational attainment statistics are especially noteworthy, considering that 42.9% of the comparable population in New Jersey has a bachelor's degree. Hence, the town has been a destination for highly educated workers and the affluent incomes they attract. However, 5.9% have not received an education beyond eighth grade or earned a high school diploma. While this slightly exceeds the county (4.2%), it does not eclipse the state (9.3%).

Table 6: Educational Attainment

Highest Level of Education	Clinton	Hunterdon County	New Jersey
Less than 9th grade	0.2%	1.8%	4.6%
9th to 12th grade, no diploma	5.7%	2.4%	4.7%
High school graduate (includes equivalency)	16.0%	18.9%	25.7%
Some college, no degree	12.7%	13.9%	15.3%
Associate's degree	6.1%	6.5%	6.7%
Bachelor's degree	36.7%	33.2%	25.8%
Graduate or professional degree	22.7%	23.3%	17.1%
High School Graduate or Higher	94.2%	95.8%	90.7%
Bachelor's Degree or Higher	59.4%	56.5%	42.9%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Regarding race, persons considered by the Census Bureau as "Not Hispanic or Latino, White alone" make up an overwhelming share of Clinton residents, or 76.1% (Table 7). This racial group represents 81.1% of the Hunterdon County population and just over one-half of all New Jerseyans. Ten percent of the community is Hispanic or Latino, a relatively small amount for a state where 21.9% of residents are Hispanic or Latino. Of other racial minorities, Asian is the next most numerous, representing 8.5% of all residents. The "Black or African American alone" population is very small, at 0.7% of residents.

Table 7: Race and Ethnicity

Race and Ethnicity	Clinton	Hunterdon County	New Jersey
Not Hispanic or Latino	90.0%	91.2%	78.1%
White alone	76.1%	81.1%	51.9%
Black or African American alone	0.7%	2.4%	12.3%
Asian alone	8.5%	4.4%	9.8%
Other races alone	1.4%	0.5%	0.8%
Two or more races	3.3%	2.8%	3.2%
Hispanic or Latino:	10.0%	8.8%	21.9%
White alone	0.7%	2.6%	5.0%
Black or African American alone	0.0%	0.2%	0.7%
Other races alone	5.7%	1.9%	8.9%
Two or more races	3.6%	4.1%	7.4%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

ANALYSIS OF SOCIOECONOMIC CHARACTERISTICS

Clinton is a moderately wealthy community. According to the most recent ACS data reproduced in Table 8, 28.7% of households have an income of at least \$200,000. The median household income is well below that demarcation, at \$142,563. Looking at a different metric, the mean income for Clinton households is \$164,672. Given the upward skew of the mean, it is reasonable to conclude that Clinton is home to a small number of high-earning households. In all, 68.3% of Clinton households have an income of \$100,000 or higher. As for those with fewer means, 15.2% of households have an income of less than \$50,000. This mirrors Hunterdon County's rate of 14.9%, but is substantially less than New Jersey as a whole, where 25.2% of households have an income under \$50,000.

Table 8: Household Income

Household Income	Clinton	Hunterdon County	New Jersey
Less than \$25,000	3.7%	6.3%	11.9%
\$25,000-\$50,000	11.5%	8.6%	13.3%
\$50,000-\$100,000	16.4%	19.8%	24.3%
\$100,000-\$200,000	39.6%	33.8%	29.7%
More than \$200,000	28.7%	31.4%	20.7%
Median Household Income	\$142,563	\$139,453	\$101,050
Mean Household Income	\$164,672	\$182,668	\$140,299

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

Even so, it's necessary to note the presence of people with limited resources. To that end, the overall poverty rate in Clinton is 2.3%, as shown in Table 9. That is just under half the rate for Hunterdon County, or 3.8%. Poverty is especially grievous for children, 3.9% of whom live in poverty in Clinton. The statewide figure, however, is more than four times higher, or 13.3%. The poverty rate for seniors is 1.1%, lower than that rate of the entire community. This stands in stark contrast to the poverty rate for seniors in New Jersey overall, which is 9.5%.

Table 9: Poverty Rate

Poverty Status	Clinton	Hunterdon County	New Jersey
Percent below poverty level, overall	2.3%	3.8%	9.8%
Percent below poverty level, under 18 years old	3.9%	3.2%	13.3%
Percent below poverty level, 65 years old and over	1.1%	4.9%	9.5%
Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates			

Over the past decade, Clinton workers have fared slightly better than those in the county and moderately better than those in the state as a whole when analyzing unemployment data shown in Table 10. Annualized, the towns' unemployment rate during that period stayed almost entirely below 5%, reaching a low of 2.3% in 2019. The exception was the COVID pandemic year of 2020, when the unemployment rate shot up to 6.5% before tapering back down to 4.8% in 2021. Even then, the town absorbed COVID's economic shock better than the rest of Hunterdon County and New Jersey, where the unemployment rate increased to 7.1% and 9.5%, respectively.

Table 10: Unemployment Rate

Year	Clinton	Hunterdon County	New Jersey
2013	5.4%	6.0%	8.4%
2014	4.8%	4.8%	6.7%
2015	4.0%	4.2%	5.7%
2016	3.3%	3.8%	4.9%
2017	3.1%	3.5%	4.5%
2018	3.0%	3.1%	4.0%
2019	2.3%	2.7%	3.5%
2020	6.5%	7.1%	9.5%
2021	4.8%	5.0%	6.7%
2022	3.2%	3.0%	3.9%
2023	3.4%	3.4%	4.3%
Source: N.J. Department of Labor and Workforce Development			

Clinton's labor force tends to mirror Hunterdon County and New Jersey, particularly those employed by for-profit businesses. Approximately 69.2% of the town's workforce is in this category (Table 11), which is just above the share for Hunterdon County and exactly the same as New Jersey. The portions of the local labor force for not-for-profit employees, government workers, and self-employed business owners, are just below the rates for the county and state. Even the category for self-employed contractors is unremarkable, with a rate of 7.3% that slightly eclipses 6.2% for Hunterdon County and 5.1% for New Jersey.

Table 61: Class of Worker

Class of Worker	Clinton	Hunterdon County	New Jersey
For-profit company employee	69.2%	64.6%	69.2%
Not-for-profit employee	6.5%	8.5%	7.6%
Government worker	13.3%	14.7%	14.2%
Self-employed, business owner	3.7%	6.1%	3.9%
Self-employed, contractor	7.3%	6.2%	5.1%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

As mentioned previously, Clinton has a highly skilled workforce. This is supported in the occupation data listed in Table 12. Fully 57.9% of the employed population works in management, business, science, and arts. These are individuals who work in occupations that demand a singular set of skills and knowledge. Relatively small numbers of people who work in more menial occupations live in the town. While 5.4% and 11.3% of Hunterdon County and New Jersey workers work in production, transportation, and moving, only 3% of Clinton workers do. Likewise, only 5.6% of employed residents work in natural resources, construction, and maintenance, compared to 6.8% and 6.9% in the county and state, respectively. The story differs for service occupations, which is how 12.2% of Clinton residents earn their pay. This exceeds Hunterdon County by about a quarter, but not New Jersey, where the rate is 14.8%. These data underline how advantageously placed the labor force is compared to those in other municipalities.

Table 72: Occupation

Occupation	Clinton	Hunterdon County	New Jersey
Management, business, science, and arts	57.9%	58.3%	46.9%
Service occupations	12.2%	9.8%	14.8%
Sales and office occupations	21.3%	19.6%	20.0%
Natural resources, construction, and maintenance occupations	5.6%	6.8%	6.9%
Production, transportation, and material moving	3.0%	5.4%	11.3%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

Town residents are employed in almost all the major industrial sectors listed in Table 13, and are especially well-represented in education, manufacturing, and the category encompassing professional, scientific, and management, and administrative and waste management services. Educational services also employ a higher percentage of Clinton residents than those in the rest of the state and county. The retail sector and the finance, insurance, and real estate sector also employ an ample share of workers. At 10.1%, the figure for the retail sector lines up almost exactly with data for the county and state. Many residents also work in the arts and entertainment, health care, and construction sectors in roughly the same percentage. Fewer residents work in transportation, information, and public administration. Comparatively few workers toil in wholesale sector, with 1% of the employed population measured, and zero in the agriculture and forestry sector, almost certainly due to the small size and geography of Clinton.

Table 83: Industry

Industry	Clinton	Hunterdon County	New Jersey
Agriculture, forestry, fishing and hunting, and mining	0.0%	1.3%	0.3%
Construction	7.0%	6.6%	6.1%
Manufacturing	13.0%	12.6%	8.2%
Wholesale trade	1.0%	2.6%	2.9%
Retail trade	10.1%	10.3%	10.5%
Transportation and warehousing, and utilities	4.8%	3.2%	6.6%
Information	2.6%	3.0%	2.6%
Finance and insurance, and real estate and rental and leasing	9.7%	8.8%	8.6%
Professional, scientific, and management, and administrative and waste management services	14.9%	15.9%	14.3%
Educational services	15.1%	12.1%	10.5%
Health care and social assistance	7.5%	10.6%	13.7%
Arts, entertainment, and recreation, and accommodation and food services	8.0%	5.1%	7.2%
Other services, except public administration	4.3%	3.9%	4.2%
Public administration	2.1%	4.1%	4.4%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

The industry data included in the ACS is sometimes mirrored by the data tabulated in the Quarterly Census of Employment and Wages (QCEW) found in Table 14, but the latter is based on data from surveys administered by the U.S. Department of Labor’s Bureau of Labor Statistics that is analyzed by the N.J. Department of Labor and Workforce Development. In addition, the surveys used to obtain the data in each table have different methodologies. This accounts for the variation in the measurement of the employed population percentage by industry sector. The wage data sheds light on Clinton workers by showing, for example, that while the “Wholesale Trade” sector has the highest average annual income, aggregate wages comprise just 7.8% of total wages in town and it only employs 3.4% of the workers. Conversely, the “Retail Trade” sector accounts for 24% of the workers and 19.8% of wages, but the average annual income is significantly lower at \$37,822.

Table 94: Quarterly Census of Employment and Wages, 2023

Sector	%, Employed Population	%, Aggregate Wages	Average Annual Income
FEDERAL GOVT TOTALS	0.6%	0.9%	\$70,072
STATE GOVT TOTALS	0.2%	0.3%	\$73,317
LOCAL GOVT TOTALS	7.4%	10.8%	\$67,130
LOCAL GOVT EDUCATION	4.5%	7.0%	\$71,724
Mining	0.0%	0.0%	\$0
Construction	0.0%	0.0%	\$0
Manufacturing	0.5%	0.8%	\$76,178
Wholesale Trade	3.4%	7.8%	\$104,706
Retail Trade	24.0%	19.8%	\$37,822
Transportation/Warehousing	0.0%	0.0%	\$0
Information	0.0%	0.0%	\$0
Finance/Insurance	2.8%	5.1%	\$84,964
Real Estate	0.0%	0.0%	\$0
Professional/Technical	8.9%	14.1%	\$72,748
Management	0.0%	0.0%	\$0
Admin/Waste Remediation	0.0%	0.0%	\$0
Education	1.8%	0.9%	\$22,368
Health/Social	10.8%	13.5%	\$57,147
Arts/Entertainment	5.0%	2.0%	\$18,121
Accommodation/Food	19.6%	9.3%	\$21,895
Other Services	10.3%	7.4%	\$32,833
Unclassifieds	0.3%	0.3%	\$37,014
Source: N.J. Department of Labor and Workforce Development, QCEW			

Wherever they work, Clinton residents tend to get there by car. Data in Table 15 indicates that 70.8% of the working population drives to work alone. A further 4.6% carpool, meaning 75.4% travel to work by car. Only 0.3% use public transportation to get to the workplace. Many residents have embraced telecommuting and no longer sit in traffic, with 20.1% working from home. This slightly exceeds the telecommuting share for Hunterdon County and New Jersey, with 19.7% for the former and 15% for the latter.

Table 105: Means of Transport to Work

Means of Transport	Clinton	Hunterdon County	New Jersey
Car, truck, or van:	75.4%	76.1%	71.4%
Drove alone	70.8%	71.3%	63.7%

Means of Transport	Clinton	Hunterdon County	New Jersey
Carpooled	4.6%	4.8%	7.7%
Public transportation (excluding taxicab)	0.3%	1.7%	8.5%
Walked	1.5%	1.7%	2.6%
Bicycle	1.5%	0.1%	0.3%
Taxicab, motorcycle, or other means	1.1%	0.7%	2.1%
Worked from home	20.1%	19.7%	15.0%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

For those workers who commute, travel times are generally consistent with the rest of the state though there are some differences according to the data in Table 16. More commuters have short trips to work compared to those in other municipalities in the county. That is, 29.9% of workers have a commute under 15 minutes while 19.9% of workers do countywide. Similarly, more commuters have long trips in the 45 to 59 minutes range, 21.3%, compared to the county, 13.1%. But commuters in the county (16%) and state (14.2%) have more commuters than Clinton (11%) in the 60 or more minutes range. This is understandable as fewer large-scale employers are located in town compared to other areas in the county. The average travel time to work is 30.2 minutes, slightly lower than Hunterdon County overall, but close to the state at large.

Table 116: Travel Time to Work

Travel Time	Clinton	Hunterdon County	New Jersey
Less than 10 minutes	14.4%	10.5%	9.9%
10 to 14 minutes	15.4%	9.4%	11.5%
15 to 19 minutes	6.5%	8.5%	13.1%
20 to 24 minutes	4.8%	10.1%	12.9%
25 to 29 minutes	5.4%	7.7%	6.7%
30 to 34 minutes	9.1%	13.5%	13.7%
35 to 44 minutes	12.2%	11.1%	8.2%
45 to 59 minutes	21.3%	13.1%	9.9%
60 or more minutes	11.0%	16.0%	14.2%
Mean Travel Time to Work (minutes)	30.2	33.6	30.9

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

Although having a walkable downtown, Clinton is still an auto dependent community for commuters, with pedestrian and bicycle facilities being inconvenient for reaching destinations for employment. As such, it makes sense that workers would have more vehicles at their disposal than those elsewhere. With a share of 44.1%, Clinton exceeds both the county (40.7%) and state (39.9%) for the number of vehicles available for workers as shown in Table 17. Households possessing three or more vehicles represent 34.3% of the

community. This lags the county (44.5%) but exceeds the state (30.3%). One-vehicle households account for 15.1% of those in the town, which is more than the 13.1% in the county as a whole and less than 23.3% statewide. Only 6.4% do not have a car altogether, which exceeds the county (1.7%) but matches the state figure.

Table 127: Total Vehicles Available for Workers

Total Vehicles	Clinton	Hunterdon County	New Jersey
No vehicle	6.4%	1.7%	6.4%
1 vehicle	15.1%	13.1%	23.3%
2 vehicles	44.1%	40.7%	39.9%
3 or more vehicles	34.3%	44.5%	30.3%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

ANALYSIS OF HOUSING STOCK

Clinton is mainly a community of homeowners, with 72.6% of housing units owner-occupied, and rentals accounting for the remaining 27.4% of units (Table 18). This breakdown varies from the tenure data for the county and state. In Hunterdon County, 84.8% of homes are owner-occupied, while 15.2% are renter-occupied. Statewide, 63.7% of housing units are owner-occupied, while 36.3% are renter-occupied.

Table 138: Tenure

Tenure	Clinton	Hunterdon County	New Jersey
Owner-Occupied	72.6%	84.8%	63.7%
Renter-Occupied	27.4%	15.2%	36.3%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The housing stock includes comparatively few vacancies (Table 19) The town has a vacancy rate of 4.1%, slightly above the 3.1% rate in Hunterdon County, but almost half that of the 7.9% rate for New Jersey.

Table 19: Occupancy Status

Occupancy Status	Clinton	Hunterdon County	New Jersey
Occupied	95.9%	96.9%	92.1%
Vacant	4.1%	3.1%	7.9%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The strength of the housing market is evident when considering the housing unit count for a town the size of Clinton. While 48.9% of the vacant units in Clinton are for seasonal, recreational, or occasional use,

compared to just 13.6% for Hunterdon County and 43.7% for New Jersey, as shown in Table 20, the breakdown of units tells a different story. Clinton only has 45 unoccupied units out of 1,094, or 4.1% as shown in Table 19 above. Of them, just 22 are for seasonal use. Likewise, the breakdown of units explains the seemingly large percentage of units for rent (37.8%), which greatly exceeds the figures for the county (14.6%) and state (16%). Just 17 unoccupied units are for rent. Homes vacant for other reasons, which can reflect economic distress, are behind 13.3% of vacancies. Since the vacancy rate is low to begin with, this is not a sign of widespread economic anguish. ACS data are estimates, so fluctuations occur, and this can be especially true when the sample is small, as illustrated above.

Table 140: Vacancy Status

Vacancy Status	Clinton	Hunterdon County	New Jersey
For rent	37.8%	14.6%	16.0%
Rented, not occupied	0.0%	2.3%	2.7%
For sale only	0.0%	21.5%	6.4%
Sold, not occupied	0.0%	10.4%	4.1%
For seasonal, recreational, or occasional use	48.9%	13.6%	43.7%
Other vacant	13.3%	37.5%	27.1%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Housing in Clinton is comprised mostly of single-family residences. To be precise, 55.7% of homes are detached one-family residences, with an additional 10.6% attached. The combined figure of 66.3% for single-family houses is comparable to 62.7% for the Garden State, but it is substantially less than 86.1% for Hunterdon County. Those looking for homes that are not one-family have many options. Two-family residences account for 10.7% of homes while 5.1% are in buildings with 3 or 4 dwellings. As shown in Table 21, 17.9% of housing in town is in higher unit per structure densities: 5 to 9 (2.4%), 10 to 19 (5.9%), 20 to 49 (5%), and 50 or more (4.6%). To put these numbers in context, 21.7% of the housing stock statewide is in multifamily buildings, typically defined as containing 5 units or more. While Clinton is slightly under this rate, it vastly exceeds Hunterdon County, which stands at 7.8%. Mobile homes, according to the ACS, are non-existent in town.

Table 151: Units in Structure

Housing Type	Clinton	Hunterdon County	New Jersey
1, detached	55.7%	73.9%	52.7%
1, attached	10.6%	12.2%	10.0%
2	10.7%	2.8%	8.6%
3 or 4	5.1%	3.0%	6.1%
5 to 9	2.4%	2.7%	4.7%
10 to 19	5.9%	2.8%	4.9%
20 to 49	5.0%	1.2%	4.2%

Housing Type	Clinton	Hunterdon County	New Jersey
50 or more	4.6%	1.1%	7.9%
Mobile home	0.0%	0.2%	0.9%
Boat, RV, van, etc.	0.0%	0.1%	0.0%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The availability of multifamily buildings in Clinton is a main reason so many people rent in Clinton. Table 22 indicates that multifamily buildings provide 41.8% of Clinton's rental housing stock, which is above Hunterdon County (33.4%) and below New Jersey (50.1%). The rate of occupancy by renters of single-family homes is 18.8%, which is low compared to 39.2% for the county, but in line with 20.1% for the state. Two-unit buildings account for 27.9% of the renters in Clinton. The town is an outlier within Hunterdon County, where only 13% of renters live in two-family structures. A further 11.5% of Clinton renters live in 3- or 4-family buildings.

Table 162: Tenure by Units in Structure

Housing Type	Clinton		Hunterdon County		New Jersey	
	Owner-Occupied	Renter-Occupied	Owner-Occupied	Renter-Occupied	Owner-Occupied	Renter-Occupied
1, detached	78.0%	5.2%	83.1%	24.4%	77.1%	11.7%
1, attached	10.1%	13.6%	11.7%	14.8%	10.2%	8.4%
2	4.9%	27.9%	0.9%	13.0%	4.6%	15.5%
3 or 4	0.0%	11.5%	0.9%	14.2%	1.7%	13.8%
5 to 9	0.7%	7.3%	1.7%	8.4%	1.4%	10.6%
10 to 19	3.0%	6.6%	0.9%	13.8%	1.2%	11.4%
20 to 49	3.4%	10.1%	0.3%	4.8%	1.0%	9.7%
50 or more	0.0%	17.8%	0.2%	6.5%	1.8%	18.4%
Mobile home	0.0%	0.0%	0.2%	0.3%	1.1%	0.4%
Boat, RV, van, etc.	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

As mentioned above, most of Clinton's population growth came in the second half of the twentieth century, particularly from 1960 to 1970 and again in the 1990s. This history is reflected in Census Bureau data reproduced in Table 23. Residential development began prior to 1940 but cooled off in the two decades that followed. Pace picked up in the 1960s and 1970s, when 13% and 11% of residences were erected, respectively. Growth continued at a moderate pace in the 1980s, when 6.6% of residences were built, and the town experienced a surge in the 1990s, when 23.9% of the housing stock was developed. Relative to those decades, housing construction has moderated in the twenty-first century. Homes built between 2000 and 2009 form 5.4% of the housing stock and homes built between 2010 and 2019 form

7% of the housing stock. ACS estimates indicate zero development in the 2020s. The narrative is different at the county and state levels, with 13.5% and 15.5% of the housing stock built in the twenty-first century.

Table 173: Year Structure Built

Year Structure Built	Clinton	Hunterdon County	New Jersey
Built 2020 or later	0.0%	0.3%	0.6%
Built 2010 to 2019	7.0%	3.1%	5.8%
Built 2000 to 2009	5.4%	10.0%	9.1%
Built 1990 to 1999	23.9%	15.0%	9.1%
Built 1980 to 1989	6.6%	20.0%	11.9%
Built 1970 to 1979	11.0%	14.0%	12.4%
Built 1960 to 1969	13.0%	9.0%	13.0%
Built 1950 to 1959	7.4%	7.7%	14.1%
Built 1940 to 1949	3.6%	3.6%	6.7%
Built 1939 or earlier	22.1%	17.3%	17.5%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

The housing stock is suited for a variety of households according to the data in Table 24. Smaller homes account for most of Clinton's housing. Units with one-bedroom account for 17.3% of inventory, which is far greater than the rate for the county, 8.1%, and slightly higher than the state, 14.2%. Units with two bedrooms comprise another 19.6% of the housing stock, which resembles the rest of the county, 18.6%, but not the state, 25.5%. Medium sized homes are also plentiful. Units with three bedrooms are the most numerous in Clinton and make up 33.6% of the housing stock; almost the same figure for the county (32.9%) and state (31.8%). Units with four bedrooms are also plentiful in town at 25.3%. These units are less plentiful than the county (34.1%), but greater than the state (19.7%). A mere 3.9% of housing units in the town have at least five bedrooms, which is in line with the county and state rates of 5.5% and 5.9%, respectively.

Table 184: Number of Bedrooms, Housing Stock

Total Bedrooms	Clinton	Hunterdon County	New Jersey
No bedroom	0.3%	0.9%	3.0%
1 bedroom	17.3%	8.1%	14.2%
2 bedrooms	19.6%	18.6%	25.5%
3 bedrooms	33.6%	32.9%	31.8%
4 bedrooms	25.3%	34.1%	19.7%
5 or more bedrooms	3.9%	5.5%	5.9%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

When accounting for the total number of rooms per unit, Table 25 illustrates that homes in Clinton have a variety of offerings. However, homes in Clinton tend to have a smaller number of rooms than the county. Using six rooms or less as a cut-off, Clinton's housing stock is at 54.2% while Hunterdon's is at 41.3%. Examining above that line, the comparison is even starker as 28.7% of homes in the county have 9 rooms or more compared to 17.3% for Clinton. The data also reveal that the median number of rooms per unit aligns more closely when comparing the town to the county and state. The median number of rooms per unit is 6.3 for Clinton, 7.1 for Hunterdon County, and 5.7 for New Jersey.

Table 195: Total Rooms

Total Rooms	Clinton	Hunterdon County	New Jersey
1 room	0.3%	0.7%	2.7%
2 rooms	6.3%	1.7%	3.0%
3 rooms	7.0%	3.7%	10.5%
4 rooms	7.7%	8.8%	15.2%
5 rooms	14.2%	12.0%	15.8%
6 rooms	18.7%	14.4%	15.4%
7 rooms	14.9%	13.7%	12.0%
8 rooms	13.6%	16.1%	10.4%
9 rooms or more	17.3%	28.7%	15.2%
Median Number of Rooms	6.3	7.1	5.7
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Clinton's prosperity can also be discerned in the housing quality data from the ACS (Table 26). This is most apparent in the metric for overcrowding. The survey found that 99% of housing units had an occupants per room ratio of one. Given the bedroom and total rooms data, this is not surprising. The share of homes in Clinton that lack essential facilities is at or below the rates for the county and state. Most homes are supplied with natural gas while 20.3% are heated through oil. A modest number of homes, 13.4%, are heated through electricity.

Table 206: Housing Quality Indicators

Home Heating Fuel	Clinton	Hunterdon County	New Jersey
Utility gas	64.3%	45.2%	73.3%
Bottled, tank, or LP gas	1.7%	8.9%	2.5%
Electricity	13.4%	10.1%	15.6%
Fuel oil, kerosene, etc.	20.3%	31.5%	6.8%
Coal or coke	0.0%	0.1%	0.0%
Wood	0.0%	2.6%	0.3%
Solar energy	0.0%	0.3%	0.2%

Home Heating Fuel	Clinton	Hunterdon County	New Jersey
Other fuel	0.0%	1.0%	0.5%
No fuel used	0.3%	0.2%	0.8%
Lacking Facilities			
Lacking complete plumbing facilities	0.3%	0.2%	0.3%
Lacking complete kitchen facilities	0.4%	0.8%	0.8%
No telephone service available	0.6%	0.8%	0.9%
Occupants Per Room			
1.00 or less	99.0%	99.2%	96.3%
1.01 to 1.50	0.0%	0.5%	2.4%
1.51 or more	1.0%	0.3%	1.3%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Long-time residents form an appreciable core of the Clinton population. A noteworthy 28.4% of householders moved into their domicile before 2000, compared to 30.2% in Hunterdon County, and 23.3% in New Jersey (Table 27). By extension, 71.7% of householders in Clinton moved into their home in the twenty-first century, just above 69.7% for Hunterdon County. More recently, 52.3% of households have moved into their home since 2010, which is close to Hunterdon County's statistic of 49.2%. The considerable time that inhabitants have lived in their homes has ramifications for the housing market as fewer homes are put on the market when their owners stay put.

Table 27: Year Moved In

Year Moved In	Clinton	Hunterdon County	New Jersey
Moved in 2021 or later	7.1%	6.5%	8.3%
Moved in 2018 to 2020	24.6%	16.2%	20.6%
Moved in 2010 to 2017	20.6%	26.5%	28.6%
Moved in 2000 to 2009	19.4%	20.5%	19.2%
Moved in 1990 to 1999	17.6%	15.4%	11.4%
Moved in 1989 and earlier	10.8%	14.8%	11.9%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

ANALYSIS OF HOUSING AFFORDABILITY

As shown in Table 28, 69% of Clinton homeowners have a mortgage while 31% do not. In Hunterdon County, 65.9% of homeowners and 64.4% of homeowners in New Jersey have a mortgage.

Table 28: Mortgage Status

Mortgage Status	Clinton	Hunterdon County	New Jersey
With a mortgage	69.0%	65.9%	64.4%
Without a mortgage	31.0%	34.1%	35.6%
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Clinton homes carry moderately high values (Table 29). For homes in the range of \$300,000 to \$499,999, Clinton exceeds its peers in the county, 59.7% to 35.2%, but not for homes above that range. Hunterdon County has nearly half of its housing stock valued above \$500,000, while Clinton has just about one quarter (25.3%). New Jersey also exceeds Clinton for this range with a figure of 38.2%. Clinton is more similar to the county in the range of \$299,000 or less, where each has a share of 15%. On the wealthier end, Clinton reports a modest number of homes above \$750,000 and below \$999,000, but none above \$1,000,000. At this end of the scale, Clinton pales in comparison to its peers in the county and the rest of the state. Only 2.1% of homes are valued above \$750,000, while the shares are 14.4% and 15.2% for the county and state, respectively. Looking at median home values, Clinton's is \$407,800 compared to \$498,000 for the county and \$427,600 for the state.

Table 29: Home Values

Home Value	Clinton	Hunterdon County	New Jersey
Less than \$100,000	4.9%	1.6%	4.4%
\$100,000 to \$299,999	10.1%	13.4%	23.6%
\$300,000 to \$499,999	59.7%	35.2%	33.8%
\$500,000 to \$749,999	23.2%	35.4%	23.0%
\$750,000 to \$999,999	2.1%	9.8%	8.6%
\$1,000,000 or more	0.0%	4.6%	6.6%
Median Home Value	\$407,800	\$498,800	\$427,600
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Data from the Division of Taxation of the New Jersey Department of Treasury in Table 30 generally supports the home values reported to the Census. In four of the last ten years reported, the sales price has outstripped the median value estimated by the Census, which is \$407,800. If anything, the price of homes sold has soared in the last four years, fueled in part by pandemic-related changes to the housing market.

Table 30: Home Sales

Year	Clinton		Hunterdon County	
	Total Sales	Average Sales Price	Total Sales	Average Sales Price
2015	33	\$369,036	1,198	\$402,049
2016	5	\$364,380	1,099	\$395,437
2017	14	\$329,321	1,206	\$410,196
2018	17	\$335,294	1,308	\$406,396
2019	10	\$377,800	1,193	\$401,576
2020	15	\$344,883	1,279	\$404,419
2021	28	\$416,482	1,742	\$465,665
2022	17	\$455,018	1,654	\$504,068
2023	15	\$432,913	1,038	\$549,325
2024	5	\$474,500	885	\$563,914
Source: N.J. Department of Treasury, Division of Taxation				

The spike in home values has petered down to residential tax assessments as shown in Table 31. Since 2020, the average assessment has risen to \$413,888, from \$334,455 in the first year of the pandemic. The steeper figure keeps assessments in line with the escalation of home prices. A similar trend has played out in Hunterdon County as a whole, with the average residential assessment increasing to \$404,835. Presumably, the embrace of working from home has heightened Hunterdon County's appeal as distance from employment centers such as Newark, Philadelphia, and New York is not as pressing a priority when looking for places to live. This trend may permanently alter the dynamics of the local housing market.

Table 211: Residential Tax Assessments

Year	Clinton		Hunterdon County	
	Total Lots	Average Assessment	Total Lots	Average Assessment
2016	865	\$312,346	45,278	\$364,805
2020	868	\$334,455	45,724	\$377,629
2024	864	\$413,888	42,943	\$404,835
N.J. Department of Treasury, Division of Taxation				

Given the rise in home values, the cost of housing may become of increasing concern in the years to come. Housing is generally considered to be affordable if the amount of rent, mortgage, and other essential costs consume less than 30% of a household's income. If a household spends more than 30% of its income on housing, it is considered cost burdened. ACS data in Table 32 show that 28.9% of all Clinton households, spend 30% or more of their income on housing. This is marginally higher than the figure of 26.8% in the county and 35.8% in the state. An additional 1.1% have zero or negative income and presumably are living on savings and various forms of financial support.

Table 32: Burden of Housing Costs, All Households

Housing Costs as % of Household Income	Clinton	Hunterdon County	New Jersey
Less than 20% of Household Income	45.9%	46.8%	39.4%
20 to 29% of Household Income	23.7%	24.2%	22.9%
30% or more of Household Income	28.9%	26.8%	35.8%
Zero or negative income	1.1%	0.9%	1.1%
No cash rent	0.4%	1.3%	1.1%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The moderate incomes earned by Clinton's owner-occupied households likely provide a buffer when bearing the cost of housing. Nevertheless, an estimated 23.1% must set aside at least 30% of their income to pay for housing, which is both below and above the respective percentages for the county and state, 24.2% and 28.6% as shown in Table 33. That said, almost half of homeowners, 50.3%, spend less than 20% of their household income on housing, consistent with homeowners elsewhere across the county and state, while 25% allot between 20% and 29% of their household income on housing.

Table 223: Burden of Housing Costs, Owner-Occupied Housing

Housing Costs as % of Household Income	Clinton	Hunterdon County	New Jersey
Less than 20% of Household Income	50.3%	50.9%	48.1%
20 to 29% of Household Income	25.0%	24.1%	22.7%
30% or more of Household Income	23.1%	24.2%	28.6%
Zero or negative income	1.6%	0.8%	0.6%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

In terms of monthly costs, 59.1% of households with a mortgage pay \$3,000 or more on housing according to Table 34. This outpaces the comparable rate for Hunterdon County, 51.6%, and New Jersey, 42.7%. This is, indeed, the tradeoff of living in a desired location. In Clinton, the median monthly cost is \$3,253. Steep housing costs are a deeply concerning issue for the entire state of New Jersey, where the median monthly cost for homeowners with a mortgage is \$2,787. More locally, the median monthly cost in Hunterdon County is \$3,055.

Table 34: Monthly Costs, Homeowners with a Mortgage

Monthly Owner Costs	Clinton	Hunterdon County	New Jersey
Less than \$500	0.0%	0.3%	0.4%
\$500 to \$999	1.1%	1.0%	1.8%
\$1,000 to \$1,499	6.8%	4.3%	6.6%
\$1,500 to \$1,999	5.3%	9.8%	13.7%

Monthly Owner Costs	Clinton	Hunterdon County	New Jersey
\$2,000 to \$2,499	6.8%	15.4%	17.7%
\$2,500 to \$2,999	20.7%	17.6%	17.0%
\$3,000 or more	59.1%	51.6%	42.7%
Median Monthly Housing Cost	\$3,253	\$3,055	\$2,787
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Table 35 supports the premise that monthly housing costs are necessarily lower for those households without a mortgage. For these Clinton households, however, the median cost is such that the Census assigned the default figure for very high values for this data point, ‘\$1,500+’. In total, 89% of households without a mortgage spend \$1,000 or more on housing. These expenditures go towards taxes, insurance payments, utilities, and other fees. In comparison, 77% of households without a mortgage in Hunterdon County spend more than \$1,000. 2.1% of said Clinton households spend between \$800 and \$999 on housing while 8.9% spend under \$800. The latter figure lines up with the county, where 8.2% of households without a mortgage spend less than \$800 a month on housing.

Table 35: Monthly Costs, Homeowners without a Mortgage

Monthly Housing Costs	Clinton	Hunterdon County	New Jersey
Less than \$250	0.0%	1.4%	1.9%
\$250 to \$399	0.0%	0.6%	2.6%
\$400 to \$599	5.5%	1.9%	5.0%
\$600 to \$799	3.4%	4.3%	8.8%
\$800 to \$999	2.1%	14.7%	14.6%
\$1,000 or more	89.0%	77.0%	67.1%
Median Monthly Housing Costs	\$1,500+	\$1,356	\$1,205
<i>Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates</i>			

Housing costs put an even greater strain on renters in New Jersey, where 48.3% of renting households are cost-burdened according to Table 36. Of the renting households in Clinton, 43.5% spend more than 30% of their income on housing, which is like Hunterdon County’s figure of 41%. The number of renters spending less than 20% on household income stands at 34.5%, which exceeds the levels for the county and state, which are 24.8% and 23.8%, respectively.

Table 236: Burden of Housing Costs, Renter-Occupied Housing

Housing Costs as % of Household Income	Clinton	Hunterdon County	New Jersey
Less than 20% of Household Income	34.5%	24.8%	23.8%
20 to 29% of Household Income	20.6%	24.8%	23.1%

Housing Costs as % of Household Income	Clinton	Hunterdon County	New Jersey
30% or more of Household Income	43.5%	41.0%	48.3%
Zero or negative income	0.0%	1.1%	1.9%
No cash rent	1.4%	8.5%	2.9%
Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates			

Clinton's median rent, \$1,707, matches that of Hunterdon County, and slightly exceeds New Jersey, \$1,653. A significant number of renting households, 18%, spend at least \$3,000 a month on housing, compared to 6.8% for the county, and 7.6% statewide. At the other end of the scale, 65.8% of households have a gross rent less than \$2,000, of which 1.8% have a rent under \$1,000. In contrast, 62.0% of renting households in Hunterdon County and 67.9% in New Jersey have a gross rent under \$2,000.

Table 247: Gross Rent

Gross Rent	Clinton	Hunterdon County	New Jersey
Less than \$500	0.0%	4.9%	6.3%
\$500 to \$999	1.8%	4.9%	8.7%
\$1,000 to \$1,499	37.1%	27.4%	26.3%
\$1,500 to \$1,999	26.9%	30.7%	28.5%
\$2,000 to \$2,499	12.0%	17.6%	15.9%
\$2,500 to \$2,999	4.2%	7.6%	6.7%
\$3,000 or more	18.0%	6.8%	7.6%
Median Rent	\$1,707	\$1,707	\$1,653
Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates			

ANALYSIS OF CONSTRUCTION ACTIVITY & TRENDS

The rate at which officials in Clinton have issued permits for new housing over the last decade has been inconsistent. The greatest number of building permits issued in a year for housing was 120, a level attained in 2021. Clinton has had several years with zero residential building permits issued, so the annual average value of 20 at the bottom of Table 38 must be used cautiously. Compared locally, Hunterdon County municipalities have permitted 276 homes a year over the same spell. Housing production statewide, however, appears to be accelerating. Since 2018, the number of new homes permitted annually in New Jersey has exceeded the 2013-2023 yearly average in five of six years, reaching a peak in 2022, when 31,792 homes were permitted. It is important to note, though, that permits slowed in 2023, when only 21,682 permits were issued.

Table 38: Housing Permits Issued Annually, 2013-2023

Year	Clinton	Hunterdon County	New Jersey
2013	0	76	18,795
2014	62	223	22,896
2015	0	164	19,503
2016	35	230	24,170
2017	3	121	25,961
2018	0	316	26,048
2019	0	439	30,770
2020	0	133	26,680
2021	120	844	30,044
2022	1	368	31,792
2023	0	121	21,682
Annual Average	20	276	25,304

Source: N.J. Department of Community Affairs, Division of Codes and Standards

Since 2013, Clinton has only issued permits for 1-family and 2-family residences in 2014 and 2022, and multifamily dwellings in 2014, 2016 and 2021. It has not issued any permits for mixed-use development in the time span used in Table 39. This deviates sharply from regional and state-level building patterns, where development of all kinds occurs nearly every year.

Table 39: Share of Housing Permits Issued by Type, 2013-2023

Year	Clinton			Hunterdon County			New Jersey		
	1-2 Units	Multi-family	Mixed-Use	1-2 Units	Multi-family	Mixed-Use	1-2 Units	Multi-family	Mixed-Use
2013	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	51.4%	47.9%	0.7%
2014	3.2%	96.8%	0.0%	65.0%	35.0%	0.0%	46.6%	52.0%	1.3%
2015	0.0%	0.0%	0.0%	85.4%	14.6%	0.0%	48.6%	51.2%	0.2%
2016	0.0%	100.0%	0.0%	41.7%	57.4%	0.9%	36.8%	63.0%	0.3%
2017	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	35.4%	62.2%	2.4%
2018	0.0%	0.0%	0.0%	52.2%	47.8%	0.0%	34.7%	64.5%	0.8%
2019	0.0%	0.0%	0.0%	36.0%	64.0%	0.0%	29.1%	70.7%	0.2%
2020	0.0%	0.0%	0.0%	71.4%	28.6%	0.0%	32.5%	67.3%	0.2%
2021	0.0%	100.0%	0.0%	15.4%	84.6%	0.0%	34.9%	64.8%	0.3%
2022	100.0%	0.0%	0.0%	24.5%	75.5%	0.0%	28.8%	68.9%	2.3%
2023	0.0%	0.0%	0.0%	99.2%	0.0%	0.8%	44.1%	53.2%	2.7%
Annual Avg.	2.7%	97.3%	0.0%	44.0%	55.9%	0.1%	37.3%	61.7%	1.0%

Source: N.J. Department of Community Affairs, Division of Codes and Standards

A similar pattern can be seen in the certificate of occupancy data found in Table 40. As with building permits, certificates of occupancy were issued for 1- and 2-family homes in only a few years, 2013, 2015, and 2018, and just one year for multifamily dwellings in 2016. Countywide, 56.8% of certificates of occupancy for homes were for 1- and 2-family homes while 42.5% were issued for 1- and 2-family at the state level. Multifamily housing accounted for 42.8% and 56.8% of the certificates of occupancy related to housing for the county and state, respectively.

Table 40: Certificates of Occupancy, Residential, 2013-2023

Year	Clinton			Hunterdon County			New Jersey		
	1-2 Units	Multi-family	Mixed-Use	1-2 Units	Multi-family	Mixed-Use	1-2 Units	Multi-family	Mixed-Use
2013	100.0%	0.0%	0.0%	74.5%	24.5%	1.0%	57.4%	42.3%	0.3%
2014	0.0%	0.0%	0.0%	97.9%	2.1%	0.0%	61.5%	38.0%	0.4%
2015	100.0%	0.0%	0.0%	91.6%	5.9%	2.5%	54.0%	45.5%	0.5%
2016	0.0%	100.0%	0.0%	68.7%	30.7%	0.6%	52.7%	47.1%	0.3%
2017	0.0%	0.0%	0.0%	34.3%	65.7%	0.0%	44.9%	53.5%	1.5%
2018	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	41.4%	56.9%	1.7%
2019	0.0%	0.0%	0.0%	88.4%	11.0%	0.6%	31.6%	66.1%	2.3%
2020	0.0%	0.0%	0.0%	35.8%	63.9%	0.3%	36.8%	62.8%	0.3%
2021	0.0%	0.0%	0.0%	81.8%	18.2%	0.0%	27.3%	72.6%	0.1%
2022	0.0%	0.0%	0.0%	25.6%	74.4%	0.0%	32.7%	66.8%	0.4%
2023	0.0%	0.0%	0.0%	24.5%	75.5%	0.0%	37.6%	62.3%	0.1%
Annual Average	25.0%	75.0%	0.0%	56.8%	42.8%	0.4%	42.5%	56.8%	0.7%

Source: N.J. Department of Community Affairs, Division of Codes and Standards

Table 41 contains the data for demolition permits issued since 2013. Clinton approves an average of 0.3 demolition permits for houses annually. Countywide, an average of 29 homes are demolished every year while 4,679 homes are demolished on average across the entire state.

Table 251: Demolition Permits, 2013-2023

Year	Clinton	Hunterdon County	New Jersey
2013	0	27	7,295
2014	0	39	5,232
2015	0	22	5,651
2016	0	21	5,457
2017	1	45	4,715
2018	0	41	4,252
2019	0	23	4,090
2020	1	14	3,599

Year	Clinton	Hunterdon County	New Jersey
2021	0	39	4,002
2022	0	18	3,837
2023	1	30	3,335
Annual Average	0.3	29	4,679

Source: N.J. Department of Community Affairs, Division of Codes and Standards

Compared to Hunterdon County and the rest of the state, a relatively small amount of office space has been constructed, which is classified as either new or addition, in Clinton in the twenty-first century. This recent spurt of office space growth occurred in the past decade, after a full decade of dormancy beginning in 2004, the first year for data in Table 42. Strikingly, no retail use has been constructed from 2004 to 2023.

Table 262: Nonresidential Construction, Office and Retail, 2004-2023

Year	Clinton		Hunterdon County		New Jersey	
	Office	Retail	Office	Retail	Office	Retail
2004	0	0	389,526	40,101	12,219,068	4,911,257
2005	0	0	190,327	22,412	11,038,132	5,965,258
2006	0	0	234,858	32,859	11,113,555	5,186,662
2007	0	0	131,214	212,865	9,569,501	5,423,889
2008	0	0	166,270	369,186	7,962,998	5,557,101
2009	0	0	58,286	0	4,253,888	2,248,935
2010	0	0	43,106	0	5,496,579	2,192,231
2011	0	0	93,592	12,000	4,915,544	1,680,445
2012	0	0	52,399	14,838	7,395,704	2,088,658
2013	0	0	59,760	92,793	5,830,508	2,240,758
2014	0	0	50,140	7,526	5,426,729	3,536,522
2015	0	0	30,119	25,324	5,751,737	3,544,141
2016	389	0	8,205	128,245	7,183,084	2,913,461
2017	0	0	11,724	15,433	6,826,372	2,153,638
2018	0	0	202,177	0	5,316,607	3,122,448
2019	0	0	27,225	47,021	5,724,671	1,286,733
2020	1169	0	20,065	11,840	5,525,377	2,023,918
2021	0	0	20,079	5,497	5,074,155	786,303
2022	1050	0	3,351	10,152	7,716,195	622,440
2023	9366	0	170,242	2,401	6,406,348	1,257,019
20-Year Avg.	599	0	98,133	52,525	7,037,338	2,937,091

Source: N.J. Department of Community Affairs, Division of Codes and Standards

PLANNING PROJECTIONS

Hunterdon County is served by the North Jersey Transportation Planning Authority (NJTPA), one of New Jersey's three metropolitan planning organizations. NJTPA forecasts population and employment projections to help anticipate the long-range planning needs of the North Jersey portion of the New York metropolitan area.

The agency forecasts that Clinton and Hunterdon County will have lower population and household growth than the rest of NJTPA coverage area. Specifically, Clinton is projected to have an annualized growth of 0.1% for both households and population. As projected, Clinton would have 1,109 households and 2,756 residents in 2050. Needless to say, any population increase would in population would mark an abrupt shift to the population declines that Clinton has seen in the twenty-first century thus far. The forecast growth is similar to that calculated for Hunterdon County, whose population NJTPA expects to grow at the same annualized growth rate as Clinton. The growth rates for the county and town fall short fall well below those for the State as a whole.

Table 273: Long-term Population, Household and Employment Forecasts

JIM: ADD HEADER NAME	Clinton	Hunterdon County	State
Population, 2015	2,679	126,250	6,688,013
Population, 2050	2,756	132,858	7,743,120
<i>Annualized % Population Change 2015-2050</i>	<i>0.1%</i>	<i>0.1%</i>	<i>0.4%</i>
Households, 2015	1,065	47,714	2,444,799
Households, 2050	1,109	51,416	2,868,943
<i>Annualized % Household Change 2015-2050</i>	<i>0.1%</i>	<i>0.2%</i>	<i>0.5%</i>
Employment, 2015	2,917	53,115	2,910,458
Employment, 2050	2,942	56,243	3,375,651
<i>Annualized % Employment Change 2015-2050</i>	<i>0.0%</i>	<i>0.2%</i>	<i>0.4%</i>
<i>Source: NJTPA Current Board Approved Forecasts 9/13/2021</i>			

These long-term housing projections are not inconsistent with current trends in the Town. While construction of the approved but unbuilt affordable housing developments account for most of the household growth anticipated, given the Town's lack of water capacity it seems substantial additional growth may be unlikely.

Appendix 3

Existing and Proposed Affordable Housing Sites

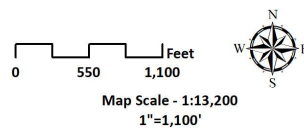
Town of Clinton
Hunterdon County, New Jersey



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KMA
KYLE+MCMANUS ASSOCIATES
POLICY
PLANNING
DESIGN
Data Sources: NJOIT

Appendix 4

§ 88-52.2 AH-1 Affordable Housing District

A. Purpose. The purpose of the AH-1 Affordable Housing District is to provide opportunity for the development of age-restricted low and moderate income housing that will assist the Town in continuing to meet its constitutional obligation to provide affordable housing.

B. Permitted uses. Permitted uses shall be as follows:

(1) Principal uses.

(a) Age-restricted multifamily housing units in a single principal structure.

(2) Accessory uses and structures.

(a) Garages as part of the principal structure and off-street parking facilities.

(b) Carports for the purpose of supporting solar panels.

(c) Solar panels mounted to the roof of the principal building or a carport.

(d) Storage and maintenance buildings.

(e) Customary accessory structures approved as part of the site plan for the development, including trash enclosures, fences, walls, lampposts, trellises and the like.

(f) Signs in accordance with the requirements of this section.

(g) Electric vehicle charging stations and related infrastructure.

(h) Outdoor patio areas which may include seating, tables and shade structures for the purpose of recreation for residents of the project.

C. Tract area, development areas, density and bulk requirements.

(1) Tract area. The minimum tract area shall be 2.5 acres

(2) Density. Any development project shall not exceed a total of eighty (80) age-restricted units.

(3) Bulk requirements.

(a) Yard requirements. The following minimum yard areas shall be provided:

1. Front yard setback – 40 feet

2. Side yard setback – 50 feet

3. Rear yard setback – 75 feet

(b) Coverage. The maximum coverage by buildings shall not exceed 20%. The maximum coverage by all impervious surfaces, including buildings, shall not exceed 60%.

(c) Buffer areas. No building, driveway or parking area shall be located within 10 feet of any tract boundary line.

(d) Building height. No building shall exceed five stories and 50 feet in height.

D. Parking requirements.

- (1) Parking shall be provided at a rate of 1.25 spaces per unit.
- (2) Required parking may be shared with the adjacent assisted living facility provided appropriate easements are provided.

E. Affordable housing requirements.

- (1) All developments in the AH-1 Affordable Housing District shall be required to provide affordable housing.
- (2) Development in the AH-1 shall provide a minimum of a twenty-percent affordable housing set-aside.
- (3) All affordable units must comply with the Town of Clinton Affordable Housing requirements and the Uniform Housing Affordability Control rules (N.J.A.C. 5:80-26.1 et seq., or as may be amended), including, but not limited to, phasing, bedroom distribution and income distribution.

F. Engineering and construction design standards.

(1) Drainage.

- (a) The drainage system shall be a combination of structural and nonstructural measures of controlling surface runoff.
- (b) The system shall be adequate to carry and attenuate stormwater which originates not only within the lot or tract boundaries but also that which originates beyond the lot or tract boundaries in the current state of development. No stormwater runoff or natural drainage shall be so diverted as to overload existing drainage systems or create flooding or the need for additional drainage structures on other private properties or public lands without proper and approved provisions being made for taking care of these conditions.
- (c) Lots and buildings shall be graded to secure proper drainage away from buildings. Additionally, drainage shall be provided in a manner which will prevent the collection of stormwater in pools or other unauthorized concentrations of flow.
- (d) All developments shall further comply with the Floodplain Ordinance of the Town of Clinton, as amended and supplemented,[1]and all applicable state and federal regulations.

(2) Lighting.

- (a) Streetlighting shall be provided at all intersections, parking areas and anywhere else deemed necessary for safety reasons.
- (b) Any outdoor lighting such as building and sidewalk illumination, driveways with no adjacent parking, the lighting of signs, and ornamental lighting, shall be shown on the lighting plan in sufficient detail to allow a determination of the effects upon adjacent

properties, roads and traffic safety from glare, reflection and overhead sky glow in order to recommend steps needed to minimize these impacts.

(c) Parking lot lighting levels shall not exceed 1.0 footcandles.

(d) Lighting levels at the tract boundary shall not exceed 0.1 footcandles.

(e) Light fixtures shall include full-cutoff luminaries and LED bulbs.

(3) Sidewalks. Sidewalks shall be installed within the development as needed and where they are best located to serve public safety considering the intensity of development, the probable volume of pedestrian traffic and the general type of improvement intended. Sidewalks shall be provided to West Main Street to connect the development to the existing sidewalk system.

(4) Water supply.

(a) The developer shall be responsible for connecting to the public water system, including any upgrades that may be necessary to provide service to the site. Prior to the grant of the preliminary approval, the applicant shall provide the Board with a copy of a letter from the water company indicating that the project will be serviced with public water.

(b) Fire hydrant type, number and locations shall be approved by the Public Works/Business Administrator with the advice of the chief of the Clinton Fire Company and shall be installed by the developer.

(5) Signage. The development shall be permitted one ground sign for site identification not to exceed a total of thirty-two square feet in area and not more than six feet in height. No building mounted signage shall be permitted with the exception of the street address.

H. Multifamily residential development requirements.

(1) No building shall exceed a length of 230 feet.

(2) Accessory buildings shall meet the property line setbacks of the principal buildings. Trash enclosures shall be setback a minimum of 30 feet from any property boundary.

(3) The maximum height of an accessory building shall be 16 feet.

(4) Garages shall be built into the principal structure.

(5) Laundry facilities shall be provided either as common areas in the principal building or within each unit.

(6) One or more completely enclosed but unroofed structure for the collection and storage of solid waste and recycling shall be provided. No garbage or other refuse shall be stored or collected except in such approved structures.

(7) In addition to any storage area contained within the dwelling unit, a minimum of 150 cubic feet of storage space shall be provided for each dwelling unit, which storage area shall be

convenient to and accessible from the outside of the building for purposes of storing bicycles, strollers and similar outside equipment.

(8) Screening and fencing shall be provided as needed to shield parking areas and other common facilities from the view of adjoining properties and streets.

(9) Provisions shall be made for the preservation of existing trees and natural features to the extent possible.

(10) All disturbed areas shall be landscaped. Landscaping shall be provided as follows:

(a) Shade trees shall be planted along all drives and in common parking areas. Such trees shall be 2 1/2 to three inches in caliper at time of planting and shall be planted 50 feet on center along both sides of all streets and common parking areas. The Land Use Board shall approve the choice of plantings and, in so doing, may rely upon the recommendations of the Shade Tree Commission.

(b) A buffer having a minimum width of 20 feet shall be provided along the eastern boundary of the property, consisting of a mix of evergreen and deciduous trees and evergreen and deciduous shrubs. All evergreen trees shall be a minimum of eight feet in height at time of planting and deciduous trees shall be 2 ½ inch caliper (dbh). A portion of the buffer area may be provided on the adjacent property provided a conservation easement is established permanently protecting the buffer area.

(d) All required front, side and rear yards shall be left in their natural state and supplemented with additional plantings to provide effective screening to surrounding properties.

(e) All disturbed areas shall be planted in grass or ground cover.

(f) All plantings shall be of nursery stock, balled and burlapped, and shall be healthy and free of disease.

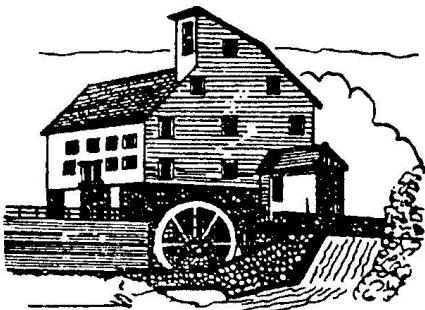
Appendix 5

Appendix 6

Town of Clinton

Hunterdon County, New Jersey

Rehabilitation Program Manual



TOWN OF CLINTON
INCORPORATED APRIL 5, 1865
43 Leigh St., P.O. Box 5194
Clinton, N.J. 08809-5194
(908) 735-8616 FAX (908) 735-8082

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INTRODUCTION

This Rehabilitation Program Operating Manual has been prepared to assist in the administration of the *Town of Clinton, Hunterdon County, New Jersey's* Rehabilitation Program. It will serve as a guide to the program staff and applicants.

This manual describes the basic content and operation of the program, examines program purposes and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the rehabilitation process. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, cost estimating, contract payments, record keeping and overall program administration.

The following represents the procedures developed to offer an applicant the opportunity to apply to the program.

A. Fair Housing and Equal Housing Opportunities



It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

SECTION I. ELIGIBLE PARTICIPANTS

A. Categories of Participants

Both owner-occupied and renter-occupied housing units are eligible to receive funding for rehabilitation provided that the occupants of the units are determined to be low- or moderate-income households and that the units are determined to be substandard. Owners of rental properties do not have to be low- or moderate-income households. If a structure contains two or more units and an owner, who is not income eligible, occupies one unit funding may be provided for the rehabilitation of the rest of the units if income-eligible households occupy those units. Rents must be affordable to low- or moderate-income households.

B. Income Limits for Participation

The occupants of the units must have incomes that fall within the income guidelines established for *Hunterdon County*, as detailed in Appendix A.

For owner-occupied units, the carrying costs of the unit (taxes, mortgage, insurance, *including the rehabilitation repayment mortgage*) should meet established criteria (less than 33% of gross income for families, less than 40% of gross income for seniors).

C. Program Area

This is a municipal-wide program. The rehabilitation property must be located in *The Town of Clinton*.

D. Certification of Substandard

The purpose of the program is to bring substandard housing up to code. Substandard units are those units requiring repair or replacement of at least one major system. A major system is any one of the following:

1. Roof
2. Plumbing (including wells)
3. Heating
4. Electrical
5. Sanitary plumbing (including septic systems)
6. Load bearing structural systems
7. Lead paint abatement
8. Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

Code violations will be determined by an inspection conducted by a licensed inspector.

SECTION II. AVAILABLE BENEFITS

A. Program Financing

Up to \$12,000 per unit may be available for improvements to eligible owner-occupied and renter-occupied units.

B. Owner-occupied Units

Loans and/or grants will be interest-free and due when title to the property is transferred. Grants are forgiven after 10 years and no repayment is required.

Should an owner-occupant die before repayment of the loan [*before 10 years for grants*], the balance of the loan [*or grant*] will be due at the time of settlement of the estate. However, if the household inheriting the unit is income eligible and agrees to occupy the unit or even if not income-eligible agrees to rent the unit only to income-eligible households, the terms of the funding agreement shall be transferred to the inheriting household. [*Upon the transfer of title of rental units, municipalities may choose to require repayment of the funds provided or may choose to permit the transfer of the terms to the new owner(s).*] The new owner(s) must commit to keeping rental units affordable for the full 10 years specified in the original agreement.

- C. Funding for owner-occupied units will be secured by a mortgage and mortgage note and grants may be secured through a lien to the Town of Clinton.
- D. Funding for renter-occupied units will be secured by a mortgage and mortgage note to the municipality.
- E. In situations where the non-income eligible owner(s) of eligible rental units occupies a unit in the structure to be rehabilitated, repairs to shared systems (i.e.: roof, heating, foundations, etc.) will be prorated with the owner(s) receiving no financial assistance for the owner's share.

F. Sample Program Financing:

- G. If the homeowner resides in his/her unit for the 10-year period after completion, the loan will be forgiven. If the homeowner decides to vacate the home prior to the completion of the term, the loan shall become payable in full upon the date of such sale or transfer. In the event of the death of the homeowner, the loan is an immediate obligation of the beneficiary unless the beneficiary meets the required income-eligibility guidelines and resides in the unit or rents to an income-eligible household.

H. Renter-occupied Units

[Insert program financing here]

NOTE: Municipal rehabilitation investment shall average at least \$10,000 per unit in hard costs. Administrative costs may be covered in conformance with N.J.A.C 5:97-8.9.

Financing of rehabilitation programs shall be structured to encourage rehabilitation and continued occupancy. Low interest rates and forgivable loans are encouraged. Leveraging of private financing is also encouraged if the result is low interest loans that encourage rehabilitation. If an owner-occupied housing unit is sold prior to the end of the controls on affordability, at least part of the loan shall be recaptured and used to rehabilitate another housing unit, unless the unit is sold to a low- or moderate-income household at an affordable price pursuant to N.J.A.C. 5:97:-9.3

See attached sample Program Financing options.

I. Program Affordability Controls

Ten-year controls on affordability on both owner-occupied units and rental units are required.

J. Owner-occupied Affordability Controls

On owner-occupied units, the controls on affordability may be in the form of a lien.

K. Renter-occupied Affordability Controls

For rental units, the controls on affordability shall be in the form of a deed restriction and may also include a lien. If a unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit to be rented to a low- or moderate- income household at an affordable price and affirmatively marketed pursuant to the N.J.A.C. 5:97-9. Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.

L. Subordination

The municipality may agree to subordination of a loan if the mortgage company supplies an appraisal showing that the new loan plus the balance on the old loan does not exceed 95% of the appraised value of the unit. Additionally, for an owner occupied unit, the household must be re-certified as low- or moderate-income.

SECTION III. ELIGIBLE PROPERTY IMPROVEMENTS

A. Eligible Improvements

Housing rehabilitation funds may be used only for repairs or system replacements necessary to bring a substandard unit into compliance with municipal health, safety and building codes, applicable code violations, as well as any other cosmetic work that is reasonable and deemed necessary or is related to the necessary repairs.

At least one major system must be replaced or included in the repairs, which include one of the following:

- Roof
- Plumbing (including wells)
- Heating
- Electrical
- Sanitary plumbing (including septic systems)
- Load bearing structural systems
- Lead paint abatement
- Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

The related work may include, but not be limited to the following:

- Interior trim work
- Interior and/or exterior doors
- Interior and/or exterior hardware
- Window treatment
- Interior stair repair
- Exterior step repair or replacement

- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair

B. Ineligible Improvements

Work not eligible for program funding includes but is not limited to luxury improvements (improvements which are strictly cosmetic), additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools and landscaping. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited. Rehabilitation work performed by property owners shall not be funded under this program.

C. Rehabilitation Standards

Upon rehabilitation, housing deficiencies shall be corrected and the unit shall comply with the New Jersey State Housing Code, N.J.A.C. 5:28. For construction projects that require the issuance of a construction permit pursuant to the Uniform Construction Code, the unit must also comply with the requirements of the Rehabilitation Subcode (N.J.A.C. 5:23-6). In these instances, the more restrictive requirements of the New Jersey State Housing Code or the Rehabilitation Subcode shall apply. For projects that require construction permits, the rehabilitated unit shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

D. Certification of Standard

All code deficiencies noted in the inspection report must be corrected and rehabilitated units must be in compliance with the standards proscribed in sub-section C above upon issuance of a certificate of completion or occupancy. The licensed inspector must certify any structure repaired in whole or in part with rehabilitation funds to be free of any code violations.

E. Emergency Repairs

A situation relating to a safety and/or health hazard for the occupants would constitute an emergency. A municipal inspector will confirm the need for such work. In emergency cases, the formal solicitation process will not be followed. A minimum of three (3) estimates will be obtained when possible for the “emergency” work. However, eligibility, as stated in Section I, subsection B, must be determined prior to soliciting estimates. Application for additional non-emergency work may be made in accordance with the procedures outlined in this Operating Manual. The funding for the emergency work and any additional rehabilitation may not exceed the program financing provisions in Section II, sub-section A.

SECTION IV. OVERVIEW OF ADMINISTRATIVE PROCEDURES

A. Application/Interview

Property owners interested in participating in the housing rehabilitation program may submit preliminary applications to the program staff. Preliminary applications are available at the following locations:

Town of Clinton Municipal Building
Ceil Covino, Town Clerk
43 Leigh Street
Clinton, NJ 08809

Upon request, the program staff will mail a preliminary application to an interested property owner.

If after the program staff reviews a preliminary application an owner-occupant appears to be income eligible, an interview will be arranged with the applicant for a formal application to the program. At the time of the interview, the applicant must present required documentation. Applicants for rental rehabilitation funding must provide a list of tenants and the rents paid by each. The program staff will contact the tenants to provide evidence of income eligibility of the occupants of the units.

Applications will be processed in the order of receipt.

B. Income Eligibility and Program Certification

For the households seeking a determination of income eligibility, both owner-occupants and renter-occupants, all wage earners 18 years of age or older in the household must submit appropriate documentation to document the household income, as further described below.

Property owners of both owner-occupied and renter-occupied units must submit the following documentation:

- Copy of the deed to the property.
- Proof that property taxes and water and sewer bills are current.
- Proof of property insurance, including liability, fire and flood insurance where necessary.

If after review of the income documentation submitted an applicant is determined to be ineligible, the applicant will receive a letter delineating the reasons for the determination of ineligibility. An applicant may be determined ineligible if the applicant's or each tenants' income exceeds COAH income limits or, for owner occupied units, if the carrying costs of the unit (taxes, mortgage, insurance[~~including the rehabilitation repayment mortgage~~]) exceed COAH's criteria (less than 33% of gross income for families, less than 40% of gross income for seniors).

The program staff will arrange for a title search of all properties entering the program.

After the initial interview and the program staff has substantiated that the occupant is income-eligible, and the title search is favorable, the Eligible Certification Form will be completed and signed.

Upon confirmation of income eligibility of the applicant or the applicant's tenants, the program staff will send a letter, including the Eligible Certification Form, to the applicant certifying the applicant's and or tenant's eligibility. Eligibility will remain valid for six months. If the applicant has not signed a contract for rehabilitation within six months of the date of the letter of certifying eligibility, the applicant will be required to reapply for certification.

C. Housing Inspection/Substandard Certification

Once determined eligible, the program staff will arrange for a qualified, licensed, housing/building code inspector to inspect the entire residential property.

The licensed inspector will inspect the house, take photographs, and certify that at least one major system is substandard. All required repairs would be identified.

D. Ineligible Properties

If after review of the property documentation submitted and the inspection report and/or work write-up an applicant's property is determined to be ineligible, the program staff will send a letter delineating the reasons for the determination of ineligibility. An applicant's property may be determined ineligible for any one of the following reasons:

- Title search is unfavorable.
- Property does not need sufficient repairs to meet eligibility requirements.
- Real estate taxes are in arrears.
- Proof of property insurance not submitted.
- Property is listed for sale.
- Property is in foreclosure.
- Total debt on the property will exceed the value of the property.

If after review of the property documentation submitted and the inspection report and/or work write-up an applicant's property is determined to be eligible, the inspector will then certify that the dwelling is substandard by completing and signing the Certificate of Substandard Form and submitting this to the program staff.

E. Cost Estimate

The program staff will prepare or cause to be prepared a Work Write-up and Cost Estimate. This estimate will include a breakdown of each major work item by category as well as by location in the house. It will contain information as to the scope and specifics on the materials to be used. A Cost Estimate will be computed and included within the program documentation. The program staff will review the Preliminary Work Write-up with the property owner.

Only required repairs to units occupied by income eligible households will be funded through the housing rehabilitation program. If the property owner desires work not fundable through the program, including work on an owner-occupied unit of a rental rehabilitation project, work on a non-eligible rental unit in a multi-unit building or improvements not covered by the program, such work may be added to the work write-up if the property owner provides funds to be deposited in the municipality's Housing Trust Fund prior to the commencement of the rehabilitation of the property equivalent to *(110 percent or a higher percentage)* of the estimated cost of the elective work. Such deposited funds not expended at the time of the issuance of a certificate of completion/occupancy will be returned to the property owner with accrued interest.

F. Contractor Bidding Negotiations

After the unit and the unit occupant have been certified as eligible, the program staff will provide a list of approved, pre-qualified trade contractors for bidding. The property owner reviews this list and selects a minimum of three and a maximum of five contractors from whom to obtain bids. The program staff and property owner will then review these bids. The lowest responsible trade contractor shall then be selected. If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

G. Contract Signing/Pre-Construction Conference

Program staff will meet with the property owner to review all bids by the various trades. This review will include a Final Work Write-up and Cost Estimate. The Contractor Agreement will be prepared by the program staff, as well as the Property Rehabilitation Agreement covering all the required terms and conditions.

The program staff will then call a Pre-Construction Conference. Documents to be executed at the Pre-construction Conference include: Contractors Agreement(s), Right of Entry Document, a Restricted Covenant, Mortgage and Mortgage Note. The property owner, program staff representative, contractor and bank representative will execute the appropriate documents and copies will be provided as appropriate. A staff member will outline project procedures to which property owner must adhere. A Proceed to Work Order, guaranteeing that the work will commence within fifteen (15) calendar days of the date of the conference and be totally completed within ninety (90) days from the start of work, will be issued to each contractor at this Conference.

H. Progress Inspections

The program staff will make periodic inspections to monitor the progress of property improvements. This is necessary to ensure that the ongoing improvements are in accordance with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Building Inspector before closing up walls on plumbing and electrical improvements.

I. Change Orders

If it becomes apparent during the course of construction that additional repairs are necessary or the described repair needs to be amended, the program staff will have the qualified professional(s) inspect the areas in need of repair and prepare a change order describing the work to be done. The applicant and the contractor will review the change order with the program staff and agree on a price. Once all parties approve of the change order and agree on the price, they will sign documents

amending the contract agreement to include the change order. Additionally, if the applicant is not funding the additional cost, new financing documents will be executed reflecting the increase.

J. Payment Schedule

The contract will permit three progress payments if the project costs less than \$20,000 or four progress payments if the project costs more than \$20,000. For example: \$24,000 project has four payments, with the first payment of \$10,000 and the remaining payments are divided equally. First payment is made when the project is one-quarter completed. Second payment is made when the project is one-half completed. Third at three quarters completed. Fourth and final payment upon completion.

The contractor will submit a payment request. The applicant will sign a payment approval if both the applicant and housing/building inspector are satisfied with the work performed. The municipality will then release the payment.

Final payment will be released once all final inspections are made, a Certificate of Occupancy is issued (if applicable) and the program staff receives a Property Owner Sign-off letter.

The contractor's performance bond will be released within 3 months after the final payment is made to the contractor.

K. Appeal Process

If an applicant does not approve a payment that the housing/building inspector has approved, the disputed payment will be appealed to the municipality's governing body for a hearing. The municipality's governing body will decide if the payment shall be released to the contractor or the contractor must complete additional work or correct work completed before the release of the payment. The municipal governing body's decision will be binding on both the applicant and the contractor.

L. Final Inspection

Upon notification by the contractor that all work is complete and where required a Certificate of Occupancy has been issued, a final inspection shall be conducted and photographs taken. The program staff (or a representative), the property owner, and the necessary contractors shall be present at the final inspection to respond to any final punch list items.

M. Record Restricted Covenant and Mortgage Documentation

Program staff will file the executed Restricted Covenant and Mortgage with the County Clerk.

N. File Closing

After the final payment is made, the applicant's file will be closed by the program staff and submitted to the municipality upon termination of the program.

SECTION V. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

A. Complete a Household Eligibility Determination Form

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test).¹ 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 both the check and the stub], 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.
- Copies of Federal and State income tax returns for each of the preceding three tax years - 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.
- A letter or appropriate reporting form verifying monthly benefits such as
 - Social Security or SSI – Current award letter or computer print out letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF² current award letter
 - Disability - Worker’s compensation letter or
 - Pension income (monthly or annually) – a pension letter
- 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 or education scholarship/stipends – current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.

¹ Asset Test – N.J.A.C. 5:80-26.16(b)3 which provides that if an applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by COAH, a certificate of eligibility shall be denied by the administrative agent, unless the applicant’s existing monthly housing costs ...exceed 38 percent of the household’s eligible monthly income.

² TANF – Temporary Assistance for Needy Families

- 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.

NOTE: Administrative Agents typically use a spreadsheet or worksheet similar to the one included in the Appendix to help calculate an applicant's income. This summarizing document will also prove useful in the event there is an appeal or question by the applicant concerning the calculation or during COAH monitoring visits. The Operating Manual should include a reasonable period [30 days is recommended] to complete the submission of all required documentation and this policy should be included in the manual.

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.

Income

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. 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.
13. Rent from real estate is considered income
14. Any other forms of regular income reported to the Internal Revenue Service

Not Income

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

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months.

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.

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 payments, 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 with mortgage debt, which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

B. Records Documenting Household Composition and Circumstances

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income tax return
- Birth Certificate or Passport
- Alien Registration Card

C. Certify the income eligibility of low- and moderate-income households by completing the application form. Provide the household with the original and keep a copy in the project files.

D. Appeals

Appeals from all decisions of an Administrative Agent shall be made in writing to the Executive Director of the Council on Affordable Housing (COAH), 101 South Broad Street, P.O. Box 813, Trenton, New Jersey 08615. The Executive Director's written decision, which shall be made within 15 days of receipt of an appeal, shall be a final administrative action of COAH.

SECTION VI. CONTRACTOR RELATED PROCEDURES

A. Contractor Selection

Contractors must apply to the program staff to be placed on the pre-approved contractors list. Contractors seeking inclusion on the list must submit references from at least three recent general contracting jobs. Contractors also must submit documentation proving financial stability and the ability to obtain performance bonds, as performance bonds will be required on every rehabilitation project. If it is ever necessary for the municipality or *[insert name of administrative agent]* to access the performance bond in order to complete a project, the contractor will be removed from the pre-approved contractors list. Contractors must carry workmen's compensation coverage and liability insurance of at least \$100,000/\$300,000 for bodily injury or death and \$50,000 for property damage. Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical.

B. Number of Proposals Required

The property owner will select a minimum of three general contractors from a list of pre-approved contractors. Property owners may not select contractors who do not appear on the list.³ The approved work write-up will be submitted to the selected contractors by the program staff. Contractors must visit the property and submit bids within *14* days. The contract will be awarded to the lowest bidder⁴, provided that the housing/building inspector or the professional who drafted the work write-up certify that the work can be completed at the price bid and that the bid is reasonably close to the cost estimate. Bids must fall within *10* percent of the cost estimate.

C. Contractor Requirements

Upon notification of selection, the contractor shall submit all required insurance certification to the program staff. A contract signing conference will be called by the program staff to be attended by the property owner and contractor. At the time of Agreement execution, the contractor shall sign a Certification of Work Schedule prepared by the program staff.

³ The program may permit a property owner to seek proposals from non-program participating contractors. However, the municipality must pre-approve the contractor prior to submitting a bid.

⁴ If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

SECTION VII. MAINTENANCE OF RECORDS

A. Files To Be Maintained on Every Applicant

The program staff will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form
- Tenant Information Form (Rental Units Only)
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility

B. Files of applicants approved for the program will also contain the following additional documentation:

- Housing Inspection Report
- Photographs - Before
- Certification of Property Eligibility or Determination of Ineligibility
- Proof of Homeowners Insurance
- Copy of Deed to Property

C. For properties determined eligible for the program where the applicants choose to continue in the program, the files shall contain the following:

- Work Write-Up/Cost Estimate
- Copies of Bids
- Applicant/Contractor Contract Agreement
- Recorded Mortgage/Lien Documents
- Copies of All Required Permits
- Contractor Requests for Progress Payments
- Progress Payment Inspection Reports
- Progress Payment Vouchers
- Change Orders (If needed)
- Final Inspection Report
- Photographs - After
- Certification of Completion
- Certification of Release of Contractor's Bond

Individual files will be maintained throughout the process and submitted to the municipality upon termination of the program.

D. Rehabilitation Log

A rehabilitation log will be maintained by the program staff that depicts the status of all applications in progress.

E. Monitoring

For each unit the following information must be retained to be reported annually:

- Street Address
- Block/Lot/Unit Number
- Owner/Renter
- Income: Very Low/Low/Mod
- Final Inspection Date
- Funds expended on Hard Costs
- Development Fees expended
- Funds Recaptured
- Major Systems Repaired
- Unit Below Code & Raised to Code
- Effective date of affordability controls
- Length of Affordability Controls (yrs)
- Date Affordability Controls removed
- Reason for removal of Affordability Controls

SECTION VIII. PROGRAM MARKETING

The municipality will conduct a public meeting announcing the implementation of the housing rehabilitation program. For the term of the program, the municipality will include flyers once a year with the tax bills and will publicize the program through the Town's website as well as its social media outlets. Program information will be available at the municipal building, library, and senior center and on the municipal website. Posters regarding the program will be placed in retail businesses throughout the municipality.

Prior to commencement of the program and periodically thereafter, the municipality will hold informational meetings on the program to all interested contractors. Each contractor will have the opportunity to apply for inclusion of the municipal contractor list.

RENTAL PROCEDURES

SECTION IX

SECTION IX. RENTAL PROCEDURES

Rental units are subject to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5-80:26.1 et. seq. once the rental units are rehabilitated.

A. Fair Housing and Equal Housing Opportunities



It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

B. Overview of the Affordable Housing Administration Process for Rental Units

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the municipality about affordable housing and where appropriate directs applicants to an Administrative Agent, who may be a nonprofit agency, State agency or consultant that may administer the rehabilitation program within the municipality.
- The Administrative Agent implements the municipality's Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- The Administrative Agent will accept these returned pre-applications for a specific period of time, for example, 30 to 90 days. At the end of this time period these applications will be randomly selected, through a lottery, to create a pool of applicants.
- The Administrative Agent pre-qualifies applicants in the applicant pool for income eligibility and sends either a rejection letter to those over income or a preliminary approval letter to those who appear income-eligible.
- When a unit becomes available, the Administrative Agent will interview the applicant households and proceed with the income qualification process.
- The Administrative Agent must notify applicant households in writing of certification or denial within 20 days of the determination.
- Once certified, households are further screened to match household size to bedroom size.
- Certified households that are approved for a rental affordable housing unit will sign Appendix K and any other applicable documents, which are held in the applicant file. Applicants then make an appointment with the leasing agent. Applicant households seeking rental units proceed with a credit check, which is generally conducted by the

developer, affordable housing sponsor or landlord. If approved, the applicant will sign the lease, pay the first month's rent and the security deposit and receive the keys.

- The certified household moves in to the affordable rental unit.

C. Roles and Responsibilities

Responsibilities of the Municipal Housing Liaison

The Municipal Housing Liaison is responsible for coordinating all the activities of the municipal government as it relates to the creation and administration of affordable housing units, in conjunction with the Municipal Attorney, where appropriate (see the section **Responsibilities of the Municipal Attorney**). The primary purpose of the Municipal Housing Liaison is to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in an Operating Manual. The duties of the Municipal Housing Liaison include the following duties, and may include the responsibilities for providing administrative services as described in the next Section under, Responsibilities of an Administrative Agent.

Monitor the status of all restricted units in the municipality's Fair Share Plan. Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison's responsibility to know the status of all restricted units in their community.

Serve as the municipality's primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households. The Municipal Housing Liaison serves as the municipality's primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.

Compile, verify and submit annual reporting. Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual COAH monitoring report. However, it is the Municipal Housing Liaison's responsibility to collect and verify this data and consolidate it into the annual report to COAH. Any requests from COAH for additional information or corrections will be directed to the Municipal Housing Liaison.

Provide Administrative Services, unless those services are contracted out. The responsibilities for providing administrative services are described in the next Section under, **Responsibilities of an Administrative Agent**.

Responsibilities of an Administrative Agent

The primary responsibility of an Administrative Agent is to establish and enforce affordability controls and ensure that units in their portfolio are rented to eligible households. Administrative Agents must:

Secure written acknowledgement from all owners that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Create and adhere to an Operating Manual. Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.

Implement the municipality's Affirmative Marketing Plan. The Administrative Agent, the developer, affordable housing sponsor or owner could be responsible for implementing the Affirmative Marketing Plan adopted by the municipality. At the first meeting with the Municipal Housing Liaison, Administrative Agent, and the developer, affordable housing sponsor or owner this responsibility should be discussed. Affirmative marketing includes conducting regional outreach and advertising for available affordable units. Advertising costs may also be delegated to the developer, but this must be established by ordinance and a condition of approval of the Planning Board or Zoning Board.

Accept applications from interested households. In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.

Conduct random selection of applicants for rental of restricted units. The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.

Create and maintain a pool of applicant households. This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.

Determine eligibility of households. The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household's eligibility must be provided within twenty (20) days of the Administrative Agent's determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent's responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a certificate acknowledging the rights and requirements of renting an affordable unit, in the form of Appendix K of UHAC.

Establish and maintain effective communication with property managers and landlords. Property managers and landlords of restricted units should be instructed and regularly reminded that the Administrative Agent is their primary point of contact. The Administrative Agent must immediately inform all property managers and landlords of any changes to the Administrative Agent's contact information or business hours.

Property managers and landlords should be instructed to immediately contact the Administrative Agent:

- Immediately upon learning that an affordable rental unit will be vacated.
- For review and approval of annual rental increases.

Provide annual notification of maximum rents. Each year when COAH releases its low- and moderate-income limits, rental households must be notified of the new maximum rent that may be charged for their unit. The Administrative Agent's contact information must be included on such notification in case the tenant is being overcharged.

Serve as the custodian of all legal documents. An Administrative Agent is responsible for maintaining originals of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Repayment Mortgages, Repayment Mortgage Notes, Leases and Appendix K.

Serve as point of contact on all matters relating to affordability controls. It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the municipality's attorney on legal matters that threaten the durability of the affordability controls.

Provide annual activity reports to Municipal Housing Liaison for use in the annual COAH monitoring report. An Administrative Agent is responsible for collecting the reporting data on each unit in their portfolio.

Maintain and distribute information on HUD-approved Housing Counseling Programs.

Responsibilities of the Municipal Attorney

The Municipal Attorney assists the municipality with developing, administering, and enforcing affordability controls, including but not limited to

- Providing all reasonable and necessary assistance in support of the Administrative Agent's efforts to ensure compliance with the housing affordability controls.

Responsibilities of Owners of Rental Units

Open and direct communication between the Owners of rental units, the Municipal Housing Liaison and the Administrative Agent is essential to ongoing administration of affordability controls. Although the Administrative Agent is required to serve as the primary point of contact with households, the Owner must provide the Municipal Housing Liaison and Administrative Agent with information on vacancies. Owners of rental units are also responsible for working with the Administrative Agent to ensure that the Municipal Housing Liaison has all necessary information to complete the annual COAH reporting.

Responsibilities of Landlords and Property Managers

Landlords and property managers must place a notice in all rental properties annually informing residents of the rent increase for the year and the contact information for the Administrative Agent.

D. Affirmative Marketing

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using the Town of Clinton's Affirmative Marketing Plan. An Affirmative Marketing Plan is a regional marketing strategy designed to attract households of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children to housing units which are being marketed by an Administrative Agent or a developer, sponsor, owner or property manager of affordable housing. The primary objectives of an Affirmative Marketing Plan are to target households who are least likely to apply for affordable housing, and to target households throughout the entire housing region in which the units are located.

Clinton's Affirmative Marketing Plan can be found in the Appendix.

Every Affirmative Marketing Plan must include all of the following:

- Publication of at least one advertisement in a newspaper of general circulation within the housing region; and
- Broadcast of at least one advertisement by radio or television throughout the housing region.
- At least one additional regional marketing strategy such as a neighborhood newspaper, religious publication, organizational newsletter, advertisement(s) with major employer(s), or notification through community and regional organizations such as non-profit, religious and civic organizations.

For each affordable housing opportunity within the municipality, the Affirmative Marketing Plan must include the following information:

- The address of the project and development name, if any
- The number of rental units
- The price ranges of the rental units
- The name and contact information of the Municipal Housing Liaison, Administrative Agent, property manager or landlord

- A description of the Random Selection method that will be used to select applicants for affordable housing.
- Disclosure of required application fees, if any.

Advertisements must contain the following information for each affordable housing opportunity:

- The location of and directions to the units
- A range of prices for the housing units
- The bedroom size(s) of the units
- The maximum income permitted to qualify for the housing units
- The locations of applications for the housing units
- The business hours when interested households may obtain an application for a housing unit
- Application fees, if any
- Last date applications will be accepted
- Contact number of the Municipal Housing Liaison, Administrative Agent, property manager or landlord
- A statement concerning the availability of credit, budget and/or homeownership counseling services
- If already adopted by ordinance, a statement concerning regional preference.

COAH recommends including the following statement on all advertisements. “Visit www.njhousing.gov for more affordable housing opportunities.”

Implementation of the Affirmative Marketing Plan

NOTE: The Operating Manual must identify who will market the affordable units, the municipality or the Administrative Agent, and how frequently they will be marketed, depending on such factors as whether there will be advertising to create and maintain a central list of applicants or advertising shall be conducted for each project, or some combination thereof.

It is strongly recommended that detailed records on all marketing initiatives be maintained.

The affirmative marketing process for affordable units shall begin at least four months prior to expected occupancy. In implementing the marketing program, the *Town of Clinton or its designated administrative agent* shall undertake all of the strategies outlined in the *Clinton's* Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all the units have been sold. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request.

An applicant pool will be maintained by the Town or administrative agent for re-rentals.

When a re-rental affordable unit becomes available, applicants will be selected from the applicant pool and, if necessary, the unit will be affirmatively marketed as described above.

The selection of applicants from the applicant pool is described in more detail in this manual under the section **Random Selection & Applicant Pool(s)**.

FREQUENTLY ASKED QUESTIONS

Question: *How often should we advertise?*

Answer: Administrative Agents responsible for new developments, or newly hired Administrative Agents, must advertise initially to create an applicant pool. For new developments, advertising should begin four months prior to the anticipated occupancy of the units. Advertising should continue monthly until all units are sold or rented. Once all vacant units are filled with eligible households, the Administrative Agent can either close the applicant pool or keep it open. If the applicant pool has sufficient eligible households for approximately two years worth of turnover, COAH recommends that the applicant pool be closed and applications no longer be accepted. In this case, advertising does not need to be conducted until four months before the applicant pool is to be reopened. If the Administrative Agent wishes to keep the applicant pool open, they must conduct some form of advertising on a monthly basis. However, all the components of the Affirmative Marketing Plan do not need to be implemented every month. One strategy can be implemented each month on a rotating basis. The next section provides more information on random selection and applicant pool maintenance to help determine how often advertising should be conducted.

Question: *My county doesn't have a library. How do I comply with the application availability rule?*

Answer: Only 11 of New Jersey's 21 counties have a county library (a list is included on COAH's website for Administrative Agents). If one or more of the counties in a housing region do not have county libraries, applications must be made available at the county administration building.

Question: *Our affordable housing development is very small. It is unnecessary for us to conduct monthly marketing initiatives and the number of applicants in our existing pool already exceeds the two-year rule of thumb. Is there any way for us to maintain compliance without conducting monthly outreach initiatives?*

Answer: COAH suggests that you attempt to partner with other municipalities in your housing region to help defray time and cost or close the applicant pool and do not accept applications until the applicant pool contains fewer applicants and affirmative marketing is implemented.

Question: *We have moderate-income units available, but not low-income units. Can we keep only the moderate portion of the applicant pool open?*

Answer: Yes. In fact, if you regularly have a type of unit that is hard to fill, you may tailor marketing initiatives to fill that type of unit. However, households that submit applications and are not interested or eligible for the targeted unit type must be notified that they will not be placed in the applicant pool until it is reopened for their unit type.

Question: *Are all developments required to conduct affirmative marketing, or just those with a certain number of units, for example, more than five units?*

Answer: All affordable units governed by UHAC are required to be affirmatively marketed. If it is burdensome for a small development to conduct its own affirmative marketing, the municipality and Administrative Agent(s) should consider conducting the affirmative marketing for all the units within the municipality at the municipal level, not at the development level. An alternative is to contract with an Administrative Agent who will do the affirmative marketing for your units as well as other units they manage.

E. Random Selection & Applicant Pool(s)

Randomization after Certification

Random selection is conducted when a unit is available, and only certified households seeking the type and bedroom size of the available unit are placed in the lottery. The process is as follows:

After advertising is implemented, applications are accepted for 21 days.

All applications are reviewed and households are either certified or informed of non-eligibility. (The certification is valid for 180 days, and may be renewed by updating income-verification information.)

Eligible households are placed in applicant pools based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit)

When a unit is available, only the certified households in need of that type of unit are selected for a lottery.

Households are informed of the date, time, and location of the lottery and invited to attend.

After the lottery is conducted, the first household selected is given 7 days to express interest or disinterest in the unit. (If the first household is not interested in the unit, this process continues until a certified household selects the unit.)

Applications are accepted on an ongoing basis, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

F. Matching Households To Available Units

In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to implement the following policies:

- Provide an occupant for each unit bedroom;
- Provide children of different sex with separate bedrooms;
- Prevent more than two persons from occupying a single bedroom;
- Require that all the bedrooms be used as bedrooms; and
- Require that a couple requesting a two-bedroom unit provide a doctor's note justifying such request.

The Administrative Agent cannot require an applicant household to take an affordable unit with a greater number of bedrooms, as long as overcrowding is not a factor.

A household can be eligible for more than one unit category, and should be placed in the applicant pool for all categories for which it is eligible.

FREQUENTLY ASKED QUESTIONS

Question: What happens if a moderate-income household “walks in” (when the applicant pool is closed and no affirmative marketing is being conducted) and I have a moderate unit available with no eligible moderate-income households in the applicant pool?

Answer: If the Administrative Agent notices that a specific unit type is hard to fill and few eligible households are in the applicant pool, the Administrative Agent should conduct ongoing affirmative marketing for that unit type to ensure a steady stream of certified households and keep the list open for that unit type. The walk-in can be added to the list.

Question: I am working with an applicant household that requires an accessible unit. Do they skip ahead on the list when an accessible unit becomes available?

Answer: UHAC does not provide any guidance on this situation. However, COAH suggests that the Administrative Agent consider an accessible unit a unit type, just as a unit is defined by bedroom size. Therefore, if the Administrative Agent is using the initial randomization model, the first household on the randomized list that requires an accessible unit should be selected when an accessible unit becomes available. If the Administrative Agent is using the randomization after certification model, all households of the appropriate size who are in need of an accessible unit, would be selected, and randomized.

Question: An applicant household has a daughter that has room and board at her college. Can they request a unit that is large enough for her to have a bedroom when she is at home?

Answer: Yes. If the household has a student away at college who is still claimed as a dependent and maintains the parents’ address as a legal address, the student should be counted in the household size.

Question: Do I have to place a one-person household in a two-bedroom unit if there is no one-bedroom units available or the applicant requests a two-bedroom unit?

Answer: A household should not be placed in a unit where there is more than one bedroom per household member. In order to deviate from these standards, the Administrative Agent must obtain written approval from COAH. If a development does not have any one-bedroom units, for example, the Administrative Agent should inform one-person households that they will not be offered a unit unless there are no eligible households with more than one person. The Administrative Agent should also refer one-bedroom households to other Administrative Agents within the municipality or region that offer one-bedroom units. The Administrative Agent must demonstrate that every effort has been made to find a household of the appropriate size and composition and that a hardship exists that would justify deviating from the established standard.

Question: I am working with an applicant household that consists of two parents and five children. This household is applying for a three-bedroom unit. Should this household only be offered a four-bedroom unit?

Answer: No. The administrator must *strive* to prevent more than two people from occupying one bedroom, as outlined in N.J.A.C. 5:80-26.4(c), but may not force a family to purchase or rent a larger unit as long as it does not violate municipal regulations for over-crowding.

G. Application Fees

The Administrative Agent's fee schedule can be found in the Appendix.

H. Maximum Monthly Payments

The percentage of funds that a household can contribute toward housing expenses is limited. However, an applicant may qualify for an exception based on the household's current housing cost (see below). The Administrative Agent will strive to place an applicant in a unit with a monthly housing cost equal to or less than the applicant's current housing cost.

UHAC states that a certified household is not permitted to lease a restricted rental unit that would require more than 35 percent of the verified household income (40 percent for age-restricted units) to pay rent and utilities. However, at the discretion of the Administrative Agent, this limit may be exceeded if:

- The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent and the proposed rent will reduce the household's housing costs;
- The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
- The household is currently in substandard or overcrowded living conditions;
- The household documents the existence of assets, with which the household proposes to supplement the rent payments; or
- The household documents proposed third party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the Owner of the unit; and
- The household receives budget counseling.

I. Housing Counseling

The Administrative Agent is responsible for providing housing counseling, or providing referrals for counseling, as a part of the Affirmative Marketing Plan and during the application process. Although housing counseling is recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. If the Administrative Agent is not approved by HUD or by the NJ Department of Banking and Insurance, the Agent will make referrals to one of the HUD-approved housing counseling agencies in New Jersey. This counseling to low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-

profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included on COAH's website and is available from the Administrative Agent.

J. The Applicant Interview

Ideally, the prospective applicant will be available to meet with the Administrative Agent to review the certification and random selection processes in detail and ask any questions they may have about the project or the process. However, scheduling time off from work may prove burdensome to the applicant. Applicants may also have mobility issues or special needs that also pose an obstacle to an interview. Therefore, the Administrative Agent is prepared to complete the certification process via telephone and mail. If an interview is to be conducted, the Administrative Agent will attempt to achieve the following objectives:

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members over age 18 to sign the Authorization for Release of Information forms and other verification requests.
- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.
- Make sure the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member did or did not dispose of any assets for less than fair market value during the past two years.

K. PROCEDURE FOR INCOME-ELIGIBILITY CERTIFICATION

1. Complete a Household Eligibility Determination Form

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. 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 both the check and the stub], 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.
- Copies of Federal and State income tax returns for each of the preceding three tax years - 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.
- A letter or appropriate reporting form verifying monthly benefits such as

- Social Security or SSI – Current award letter or computer print out letter
- Unemployment – verification of Unemployment Benefits
- Welfare -TANF⁵ current award letter
- Disability - Worker’s compensation letter or
- Pension income (monthly or annually) – a pension letter
- 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 or education scholarship/stipends – current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- 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.

NOTE: Administrative Agents typically use a spreadsheet or worksheet similar to the one included in the Appendix to help calculate an applicant’s income. This summarizing document will also prove useful in the event there is an appeal or question by the applicant concerning the calculation or during COAH monitoring visits. The Operating Manual should include a reasonable period [30 days is recommended] to complete the submission of all required documentation and this policy should be included in the manual.

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.

Income

1. Wages, salaries, tips, commissions
2. Alimony

⁵ TANF – Temporary Assistance for Needy Families

3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. 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.
13. Rent from real estate is considered income
14. Any other forms of regular income reported to the Internal Revenue Service

Not Income

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

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months.

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.

Real Estate Asset Limit

Except for federal programs, if an applicant's primary residence, which is to be sold upon purchase of an affordable unit, has no mortgage debt and is valued at or above the regional asset limit as published annually by COAH with COAH's Annual Regional Income Limits Chart, the household must be determined ineligible for certification.

However, if the applicant's existing monthly housing costs including taxes, homeowner insurance, and condominium or homeowner association fees exceed 38 percent of the household's eligible monthly income, the household will be exempt from the asset limit.

An applicant must provide a recent, Market Value Appraisal or Realtor Comparative Market Analysis, on the home they own unless the applicant has mortgage debt on the home or can demonstrate that the existing monthly housing costs exceed 38 percent of the household's eligible monthly income, in which case the applicant is exempt from the asset limit.

Before obtaining a professional appraisal, the applicant should review the property's tax appraisal and the current market value and compare it to the asset limit to avoid any unnecessary expense. For instance, if homes are commonly selling in the applicant's neighborhood for over \$250,000, it is unlikely that an appraisal will determine a value below the asset limit. The maximum asset limit for Region 1 in 2006, for example, is \$139,396.

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 payments, 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 with mortgage debt, which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

2. Records Documenting Household Composition and Circumstances

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income tax return
- Birth Certificate or Passport
- Alien Registration Card

3. Certify the income eligibility of low- and moderate-income households by completing the application form. Provide the household with the original and keep a copy in the project files.

L. Approving or Rejecting a Household

Administrative Agents must notify applicant households of their eligibility within twenty (20) days of the Administrative Agent's determination.

Households with a verified total household income that exceeds 80 percent of the regional income limit for the appropriate family size are ineligible for purchase or rental of restricted units. A letter rejecting the household's application shall be mailed to the household.

Similarly, households with a verified total household income that is within the income limits, but too low to afford any of the units administered by the Administrative Agent shall be sent a letter rejecting the household's application, and/or referring them to housing counseling or the local Affordability Assistance Program.

Households with a verified total household income of less than 80 percent shall be issued a letter certifying eligibility. This certification is valid for 180 days. If the Administrative Agent is unable to place the household in a restricted unit at the conclusion of 180 days, an extension may be granted once the household's eligibility is verified.

Once the applicant is certified and matched to an available unit, the Administrative Agent must secure from the applicant a signed and notarized acknowledgement of their requirements and responsibilities in renting a restricted unit. UHAC's Appendix K shall be forwarded to the applicants.

In addition to non-eligibility based on income, the Administrative Agent may deny a certification because of the household's failure or inability to document household composition, income, assets, sufficient funds for down payment, or any other required facts and information. A household may also be denied certification if the Administrative Agent determines that there was a willful or material misstatement of fact made by the applicant.

M. Dismissal of Applications

Applications can be dismissed for the following reasons:

1. The application is not signed or submitted on time.
2. The applicant commits fraud, or the application is not truthful or complete.
3. The applicant cannot or does not provide documentation to verify their income or other required information when due.
4. The household income does not meet the minimum or maximum income requirements for a particular property.
5. The applicant owns assets that exceed the Asset Limit.
6. The applicant fails to respond to any inquiry in a timely manner.
7. The applicant is non-cooperative or abusive with the staff, property manager or landlord.
8. The applicant changes address or other contact information without informing the Administrative Agent in writing.
9. The applicant does not meet the credit standard or other requirement set forth by managers of rental properties.
10. The applicant fails to verify attendance in a credit counseling program when required to do so by the program rules.
11. The applicant does not respond to periodic update inquiry in a timely fashion.
12. The applicant fails to sign the Compliance Certification, Certificate for Applicant, Lease Document, as may be required.
13. The applicant, once approved, fails to sign the lease in a timely manner.
14. Applicants will also be removed from all lists held by the Administrative Agent once they have been approved for an affordable unit. However, these applicants may re-apply for other opportunities in that municipality once they have occupied their unit.

Applicants who are dismissed must re-apply. A minimum time period of six months applies in most situations where the applicant has been withdrawn for fraud, poor credit, uncooperative behavior or other serious matters.

Applicants are not automatically removed from rental lists if they do not respond to a Notice of Availability.

Applications may be held in abeyance for a period not to exceed 60 days if there is an error on the credit report, so that the applicant can correct the error and re-apply. Units will not be held open for that applicant. However, once the credit report is corrected, the applicant will be given a priority for the next opportunity at that property.

N. Appeals

Appeals from all decisions of an Administrative Agent shall be made in writing to the Executive Director of the Council on Affordable Housing (COAH), 101 South Broad Street, P.O. Box 813, Trenton, New Jersey 08615. The Executive Director's written decision, which shall be made within 15 days of receipt of an appeal, shall be a final administrative action of COAH.

FREQUENTLY ASKED QUESTIONS:

Question: *Is it a requirement of UHAC that Administrative Agents meet with applicants in person?*

Answer: Because an applicant interview could prove to be burdensome to many households it is not a prerequisite to purchase or occupancy, although it is encouraged. Administrative Agents should be prepared to conduct the household certification via mail.

Question: *With households filing taxes through e-filing, we are having trouble getting copies of tax returns. How can we get copies of e-filed tax returns?*

Answer: According to the IRS website, transcripts of previously filed tax returns can be ordered by completing a Form 4506-T or calling (800) 829-1040 and following the prompts in the recorded message. There is no charge for the transcript and you should receive it in 10 business days from the time they receive your request. Tax return transcripts are generally available for the current and past three years.

Question: *How can child support payments that are made in cash be documented?*

Answer: If the applicant is depositing the cash child support payments into a bank account, a series of statements from that account should be used to establish a trend of payments. If not, a notarized statement from the former spouse should be obtained to document the income.

Question: *Is it a requirement that the Administrative Agent always obtain a written statement from the household's employer(s) confirming their income and job status?*

Answer: No. However, when evaluating overtime and other income trends, such as bonuses, working directly with the employer is typically much more efficient and reliable than simply evaluating pay stubs.

Question: *Are there any potential issues with renting to a separated family that has a divorce pending?*

Answer: Yes, until a divorce is finalized, a spouse can make claim on a residence rented by the other spouse. Until a divorce is finalized, it is suggested that Administrative Agents place these types of cases on hold.

Question: *How can income eligibility be established for someone that may have been out of work for two years, but had a job during the most recent tax year?*

Answer: As long as the applicant is currently employed, a series of consecutive pay stubs (at least 3 months) should be used to establish the income of an applicant in this or similar situations.

Question: *Can an applicant for a rental unit be rejected solely because they have Section 8 rental assistance?*

Answer: No. A household receiving Section 8 assistance cannot be rejected based on this status. Discrimination such as this is illegal.

Question: *Can an applicant be required to attend and graduate from a Housing Counseling Program in order to rent a restricted unit?*

Answer: No. A household is only required to attend housing counseling if their monthly housing expense exceeds UHAC standards. Administrative Agents, however, are required to provide housing counseling or refer applicants to an approved Housing Counseling Program.

Question: *Do households with Section 8 vouchers automatically qualify for affordable housing under UHAC?*

Answer: Yes, a Section 8 voucher is acceptable for income qualification, provided the applicant meets the criteria of the property manager or landlord. The Administrative Agent must still collect income verification documentation to match the household to an appropriately priced unit.

Question: *Can an existing moderate-income tenant be moved to a low-income unit when they can substantiate that there has been a change in their income? If so, can they bypass the random selection process?*

Answer: Yes, an existing tenant household may re-apply for a low-income unit within the same project if they can prove a change in their circumstances. If qualified, the tenant would be added to the applicant pool. The tenant should also be referred to the local Affordability Assistance Program, if available.

Question: *Does the Administrative Agent need to impute the value of a household's stocks as an asset?*

Answer: Only dividends from stock count towards a household's income. IRS Form-1099 from the previous year should be requested from the applicant if it was not part of their initial application.

Question: *Is there a maximum cost for the credit check?*

Answer: No, but the credit check is included in application fees which may total no more than five percent of the monthly rent.

Question: *In order to overcome inadequate or poor credit, can an applicant have a cosigner on a lease?*

Answer: No one outside the household, as certified by the Administrative Agent, may cosign or otherwise be party to any financing or legal instruments.

Question: *Does UHAC set a minimum income for eligibility for affordable housing?*

Answer: No, UHAC does not specify a minimum income for affordable housing units. However, an applicant household must be able to afford the unit and must not pay more than 33 percent for sale units or 35 percent for rental units of its monthly income (or 40 percent for age-restricted units), unless they meet the exemption criteria set forth in N.J.A.C. 5:80-26.7(b) or N.J.A.C. 5:80-26.13(b).

Question: *After I certify an applicant, how long is that certification valid?*

Answer: Pursuant to N.J.A.C. 5:80-26.16(b), an initial certification is valid for 180 days and may be extended for an additional 180 days once the household's eligibility is verified.

Question: *How do I document third-party assistance from a guarantor? For example, a relative is providing funds toward the applicant's monthly payments.*

Answer: In the case of a rental unit, the applicant should demonstrate regular deposits from third party assistance, or a notarized letter from the third party documenting future assistance. The Administrative Agent must receive a copy of the policy regarding guarantors from the developer, affordable housing provider or owner, so as to assure the policy is applied consistently.

Question: *If an applicant for affordable housing has a "reverse mortgage", how does an Administrative Agent count income from that mortgage?*

Answer: An applicant for affordable housing with a "reverse mortgage" would not be eligible for affordable housing unless that mortgage was satisfied or, at a minimum, a contract for sale of the market unit was in place. "Reverse mortgages" require that the mortgaged property remain the principal place of residence of the person taking the mortgage. Since this is also a requirement of affordable housing only one such residence can be owned or leased at any given time.

Question: *For the purpose of income-qualification, what is considered part-time income of full-time students?*

Answer: Under UHAC, part-time income of persons enrolled as fulltime students, who are reported as dependents to the IRS, is not included in income calculations for determining eligibility. COAH recommends stipulating in the Operating Manual the following criteria in applying this rule:

- A full-time student is a member of the household 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.

Please note that full-time income of full-time students is included in the income calculation.

O. Determining Affordable Rents

To determine the initial rents the Administrative Agent uses the COAH calculators located at <http://www.nj.gov/dca/affiliates/coah/resources/calculators.html>.

Pricing by Household Size. Initial rents are based on targeted “model” household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These maximum sales prices and rents are based on COAH’s Annual Regional Income Limits Chart at the time of occupancy:

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

Size of Unit	Household Size Used to Determine Max Rent
Studio/Efficiency	1
1 Bedroom	1.5
2 Bedrooms	3
3 Bedrooms	4.5
4 Bedrooms	6

The above rules are only to be used for setting initial rents. They are not guidelines for matching household sizes with unit sizes. The pricing of age-restricted units may not exceed affordability based on a two-person household.

Split Between Low- and Moderate-income Rental Units. *At least 50 percent (of the affordable units within each bedroom distribution (unit size) must be low-income units and at least 10 percent of the affordable units within each bedroom distribution must be affordable to households earning no more than 35 percent of the regional median income. The remainder of the affordable units must be affordable to moderate-income households.*

Affordability Average. The average rent for all affordable units cannot exceed 52 percent of the regional median income. At least one rent for each bedroom type must be offered for both low-income and moderate-income units. Calculation of the affordability average is available on COAH’s website.

Maximum Rent. The maximum rent of restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of the regional median income.

P. Determining Rent Increases

Annual rent increases are permitted in affordable units. Rent increases are permitted at the anniversary of tenancy according to COAH's Annual Regional Income Limits Chart, available on COAH's website. These increases must be filed with and approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the Administrative Agent. The maximum allowable rent would be calculated by starting with the rent schedule approved as part of initial lease-up of the development, and calculating the annual COAH-approved increase from the initial lease-up year to the present. Rents may not be increased more than once a year, may not be increased by more than one COAH-approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

Rehabilitation Program Audit Checklist

	UP-TO-DATE OPERATING MANUAL	Comments
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	List of Pre-Qualified Contractors	
<input type="checkbox"/>	Sample Forms and Letters	
	MAINTENANCE OF RECORDS	
<input type="checkbox"/>	Files To Be Maintained on Every Applicant	
<input type="checkbox"/>	Preliminary Application	
<input type="checkbox"/>	Application Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility.	
<input type="checkbox"/>	Files to be Maintained on Every Property	
<input type="checkbox"/>	Housing Inspection Report.	
<input type="checkbox"/>	Photographs – Before Certification of Property	
<input type="checkbox"/>	Homeowner's Insurance	
<input type="checkbox"/>	Property Deed	
<input type="checkbox"/>	Eligibility or Determination of Ineligibility	
<input type="checkbox"/>	Work Write-Up/Cost Estimate.	
<input type="checkbox"/>	Applicant/Contractor Contract Agreement.	
<input type="checkbox"/>	Mortgage/Lien Documents.	
<input type="checkbox"/>	Copies of All Required Permits.	
<input type="checkbox"/>	Contractor Requests for Progress Payments.	
<input type="checkbox"/>	Progress Payment Inspection Reports.	
<input type="checkbox"/>	Progress Payment Vouchers.	
<input type="checkbox"/>	Change Orders (If Needed).	
<input type="checkbox"/>	Final Inspection Report.	
<input type="checkbox"/>	Photographs - After	
<input type="checkbox"/>	Certification of Completion.	
<input type="checkbox"/>	Certification of Release of Contractor's Bond.	
<input type="checkbox"/>	Rehabilitation Log	
	MONITORING INFORMATION	

<input type="checkbox"/>	Complete Monitoring Reporting Forms	
	PROGRAM MARKETING	
<input type="checkbox"/>	Annual Public Hearing Notice on Program	
<input type="checkbox"/>	Program Flyer	
<input type="checkbox"/>	Program Brochure	
<input type="checkbox"/>	Flyer mailed Annually to All Property Owners	
<input type="checkbox"/>	Program information available in municipal building, library and senior center.	
<input type="checkbox"/>	Program information posted on municipal website.	
<input type="checkbox"/>	Program posters placed in retail businesses throughout the municipality.	

Rehabilitation Program Audit Checklist For Rental Units

<input type="checkbox"/>	UP-TO-DATE OPERATING MANUAL	Comments
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	Sample Forms and Letters	
	AFFIRMATIVE MARKETING	
<input type="checkbox"/>	Copies of Ads	
<input type="checkbox"/>	Copies of PSA Requests	
<input type="checkbox"/>	Copies of Marketing Requests	
	RANDOM SELECTION	
<input type="checkbox"/>	Log of Applications Received	
<input type="checkbox"/>	Log of Random Selection Results	
<input type="checkbox"/>	Database of Referrals	
	MAINTENANCE OF RECORDS	
	Files To Be Maintained on Every Applicant	
<input type="checkbox"/>	Preliminary Application.	
<input type="checkbox"/>	Application Form.	
<input type="checkbox"/>	Tenant Information Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility	
	Files To Be Maintained on Every Rental Unit	
<input type="checkbox"/>	Base rent	
<input type="checkbox"/>	Identification as low- or moderate-income	
<input type="checkbox"/>	Description of number of bedrooms and physical layout	
<input type="checkbox"/>	Floor plan	
<input type="checkbox"/>	Application materials, verifications and certifications of	
<input type="checkbox"/>	all present tenants, pertinent correspondence	
<input type="checkbox"/>	Copy of lease	
<input type="checkbox"/>	Appendix K	
	Files To Be Maintained on Every Property	
	Deed	

P. Determining Rent Increases

Appendix 7

TOWN OF CLINTON
ORDINANCE NO. ____

AN ORDINANCE AMENDING PROVISIONS OF CHAPTER 88 “LAND USE” OF THE CODE OF THE TOWN OF CLINTON, ARTICLE VII “ZONING REGULATIONS”, TO INCLUDE NEW SECTION 58.3 SETTING FORTH MANDATORY SET-ASIDE REQUIREMENTS FOR RESIDENTIAL DEVELOPMENT IN THE TOWN OF CLINTON

WHEREAS, the Town of Clinton has prepared a fourth round affordable housing compliance plan that relies on a durational adjustment of its 49 unit obligation based on a lack of water and sewer capacity; and

WHEREAS, in order to capture small-scale opportunities to create new affordable housing units, the Town wishes to adopt a mandatory set-aside ordinance applicable to new residential or mixed-use projects that were not anticipated at the time the fourth round plan was adopted; and

WHEREAS, the mandatory set-aside ordinance does not create any entitlement for the granting of or lessen the burden of proof for applicants requesting variances, rezonings or redevelopment plans; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Clinton, in the County of Hunterdon and State of New Jersey, that Chapter 88, Article VII of the Code of the Town of Clinton, is hereby amended as follows, to include new Section 88-58.3

§ 88-58.3 Mandatory Affordable Housing Set-aside

- A. All residential development, including the residential portion of a mixed-use project, which consists of five (5) or more new residential units to be offered for-sale or seven (7) or more new residential units to be offered for rental, shall be required to provide an appropriate percentage of the residential units be set aside for very low, low, and moderate income households, as set forth below.
- B. This requirement shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five (5) or more.
- C. For residential or mixed-use projects in which the affordable units are to be offered for sale, the set-aside percentage shall be twenty (20) percent; for projects in which the affordable units are to be offered for rent, the set-aside percentage shall be fifteen (15) percent.
- D. The developer shall provide that half of the affordable units constructed be reserved for low-income households and that the remaining half be reserved for moderate-income households. At least 13 percent of all restricted units shall be very low-income units (affordable to a household earning 30 percent or less of median income). The very-low income units shall be counted as part of the required number of low-income units within the development.

- E. Subdivision and/or site plan approval shall not be granted by the reviewing board unless the developer complies with the requirements to provide very low-, low-, and moderate-income housing pursuant to the provisions of this section. A property shall not be permitted to be subdivided so as to avoid meeting this requirement. The board may impose any reasonable conditions to ensure such compliance.
- F. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a Redevelopment Plan or amended Redevelopment Plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed project.
- G. This requirement shall not apply to sites or zoning districts identified in the Fair Share Plan where standards for the set-aside of affordable housing units have already been established.
- H. In the event application of the required set-aside percentage (15% or 20%) to the total number of residential units proposed does not result in a full integer, the developer shall round the required set-aside upward and construct a whole affordable unit when 0.5 unit or more is the resulting fraction of a unit.
- I. In the event application of the required set-aside percentage (15% or 20%) to the total number of residential units proposed does not result in a full integer, the developer may round the required set-aside downward and make a payment-in-lieu of providing the affordable unit when 0.4 unit or less is the resulting fraction of a unit. The resulting fractional unit shall be multiplied by \$200,000 to determine the required payment-in-lieu. All payments-in-lieu of providing fractional units meeting the requirements of this section shall be deposited into the Town of Clinton Affordable Housing Trust Fund.

Severability

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Effective Date

This ordinance shall take effect immediately upon passage and publication according to law.

ATTEST:

Town of Clinton

Cecelia Covino, Clerk

The Honorable Janice Kovach, Mayor

Introduced: _____

Motion by: _____

Second by: _____

Introduction Roll Call:

Ayes:

Nayes:

Absent:

Abstain:

Adopted: _____

Motion by: _____

Second by: _____

Adoption Roll Call:

Ayes:

Nayes:

Absent:

Abstain:

I hereby certify the foregoing to be a true copy of an Ordinance adopted by the Mayor and Council at a meeting held on _____, 2026.

Cecelia Covino, Clerk

NOTICE

NOTICE IS HEREBY GIVEN, that the above Ordinance was introduced and passed on first reading at the Regular Business Meeting of the Governing Body of the Town of Clinton held in the Municipal Building on the ____ day of _____ 2026, and the same shall come up for public hearing at the Regular Business Meeting of the Governing Body to be held on the ____ day of _____, 2026, at ____ P.M., at which times any persons interested shall be given the opportunity to be heard concerning said Ordinance. Following the public hearing, said Ordinance shall be considered for final adoption.

Cecelia Covino, Clerk

Appendix 8

FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM
AND RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

Down Payment Loan Program

The Town may offer a Down Payment Assistance Loan program to qualified purchasers of households earning 80% or less of median income of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount, but may be used to fund additional closing costs. The loan amount may be made up to ten percent (10%) of the purchase price.

The Town must approve the Buyer 's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a mortgage and mortgage note to the Town.

Payment of Closing Costs

Eligible Buyers may receive payment of closing costs, i.e., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowners insurance. recording fees and other necessary closing expenses to third parties, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit. Utility deposits, i.e., gas and electric, paid to utility companies are to be returned to the Town Affordable Housing Trust Fund upon resale of the unit. The buyer will execute documents required to secure payment to Of Clinton Town.

Payment of Lender Fees

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3000) per unit.

Administration of Clinton's Affordability Assistance Programs will be managed by the Clinton Town Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Town's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

1. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.
2. The Buyer must present proof to the Administrative Agent that he/she is qualified for Affordable Housing in the Town of Clinton.
3. Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in the Town, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.
4. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the name of the Attorney handling the sale for the Developer at closing.
5. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage, and Repayment Agreement can be prepared by the Administrative Agent.
6. The amount of the Down Payment Assistance must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Town Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.
7. The Town Finance Department will generate the necessary forms and obtain Town Council approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Town if the closing is canceled, or if the sale is declared null and void. If

there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.

8. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Town of Clinton Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

Rental Assistance

Clinton Town may offer a Rental Assistance Program that is managed by the Administrative Agent. Eligible recipients of the program are renters who qualify for a very-low, low- or moderate-income rental unit. The following assistance is available to very-low, low- and moderate-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed one thousand five hundred dollars (\$1,500.) per household.
2. Rental security deposit -Deposits paid to landlord to be returned to the Town's Affordable Housing Trust Fund upon termination of tenancy.
3. First-month rent – first month's rent paid to the landlord.

Administration of Clinton Town's Rental Unit Affordability Assistance Programs will be by the Administrative Agent. The availability of the program shall be advertised continually on the Town's website. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, the applicant will complete and provide an affordability assistance application to the Administrative Agent.

For qualified and approved payment of moving expense, rental security deposit assistance and first month rent assistance, the Administrative Agent will follow the Town purchasing and requisition process for generating a check that is made out to the applicant. Once the check is produced, the Administrative Agent provides it to the applicant.

The affordability assistance recipient will sign a contract with Clinton Town which states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.

The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within Clinton and provided to all administrative agents of affordable units within the Town and advertised on the Town's website.

An income eligible occupant or applicant for an affordable unit within Town may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

Appendix 9

ATTACHMENT A

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

For Affordable Housing in **(REGION 3)**

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

1a. Administrative Agent Name, Address, Phone Number		1b. Development or Program Name, Address	
1c. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	1d. Price or Rental Range From To	1e. State and Federal Funding Sources (if any)	
1f. <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: _____ Occupancy: _____		
1h. County Hunterdon, Middlesex, Somerset		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2. Describe the random selection process that will be used once applications are received.
--

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

☐ White (non-Hispanic) ☒ Black (non-Hispanic) ☒ Hispanic ☐ American Indian or Alaskan Native
☒ Asian or Pacific Islander ☐ Other group:

3b. Commercial Media (required) (Check all that applies)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE COAH REGION 3			
Daily Newspaper			
<input type="checkbox"/>		Star-Ledger	
TARGETS PARTIAL COAH REGION 3			
Daily Newspaper			
<input type="checkbox"/>		Home News Tribune	Middlesex, Somerset, Union
<input type="checkbox"/>		Courier News	Somerset and Hunterdon
<input checked="" type="checkbox"/>		Express Time	Lehigh Valley
Weekly Newspaper			
<input type="checkbox"/>		Beacon	Hunterdon
<input type="checkbox"/>		Delaware Valley News	Hunterdon
<input checked="" type="checkbox"/>		Hunterdon County Democrat / Hunterdon Observer	Hunterdon
<input type="checkbox"/>		Hunterdon Review	Hunterdon
<input type="checkbox"/>		Amboy Beacon	Middlesex
<input type="checkbox"/>		Colonia Corner	Middlesex
<input type="checkbox"/>		Cranbury Press	Middlesex
<input type="checkbox"/>		East Brunswick Sentinel	Middlesex
<input type="checkbox"/>		Edison Sentinel	Middlesex
<input type="checkbox"/>		South Brunswick Post	Middlesex
<input type="checkbox"/>		South Plainfield Observer	Middlesex
<input type="checkbox"/>		Suburban, The	Middlesex
<input type="checkbox"/>		Princeton Packet	Middlesex, Somerset
<input type="checkbox"/>		Sentinel, The	Middlesex, Somerset
<input type="checkbox"/>		Atom Tabloid & Citizen Gazette	Middlesex, Union

<input type="checkbox"/>		Parsippany Life	Morris
<input type="checkbox"/>		Echoes Sentinel	Morris, Somerset
<input type="checkbox"/>		Bernardsville News	Somerset
<input type="checkbox"/>		Branchburg News	Somerset
<input type="checkbox"/>		Chronicle	Somerset
<input type="checkbox"/>		Hills-Bedminster Press	Somerset
<input type="checkbox"/>		Hillsborough Beacon	Somerset
<input type="checkbox"/>		Manville News	Somerset
<input type="checkbox"/>		Messenger-Gazette	Somerset
<input type="checkbox"/>		Reporter	Somerset
<input type="checkbox"/>		Somerset Spectator	Somerset
Monthly Newspaper			
<input type="checkbox"/>		About Our Town/Community News	Middlesex, Somerset
	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 3			
<input type="checkbox"/>		2 WCBS-TV CBS Broadcasting, Inc.	
<input type="checkbox"/>		3 KYW-TV CBS Broadcasting, Inc.	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc. (Walt Disney)	
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc. (Walt Disney)	
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		11 WPIX WPIX, Inc. (Tribune)	
<input type="checkbox"/>		12 WHYY-TV WHYY, Inc.	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	

<input type="checkbox"/>		17 WPHL-TV Tribune Company	
<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, LLC	
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	
<input type="checkbox"/>		41 WXTV WXTV License Partnership, G.P. (Univision Communications, Inc.)	
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		57 WPSG CBS Broadcasting, Inc.	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, LLC	
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcasting Corporation	
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	
<input type="checkbox"/>		68 WFUT-TV Univision New York, LLC	Spanish
TARGETS PARTIAL COAH REGION 3			
<input type="checkbox"/>		16 WNEP-TV New York Times Co.	Hunterdon
<input type="checkbox"/>		46 W46BL Maranatha Broadcasting Company, Inc.	Hunterdon
<input type="checkbox"/>		51 WTVE Reading Broadcasting, Inc.	Hunterdon (Christian)
<input type="checkbox"/>		25 W25BB New Jersey Public Broadcasting Authority	Hunterdon, Middlesex
<input type="checkbox"/>		22 WYOU Nexstar Broadcasting, Inc.	Hunterdon, Somerset
<input type="checkbox"/>		28 WBRE-TV Nexstar Broadcasting, Inc.	Hunterdon, Somerset
<input type="checkbox"/>		44 WVIA-TV Ne Pa Ed TV Association	Hunterdon, Somerset
<input type="checkbox"/>		56 WOLF-TV Wolf License Corp.	Hunterdon, Somerset
<input type="checkbox"/>		60 WBPH-TV Sonshine Family Television Corp.	Hunterdon, Somerset

<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Hunterdon, Somerset
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Middlesex, Somerset
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	Middlesex, Somerset
<input type="checkbox"/>		66 WFME-TV Family Stations of New Jersey, Inc.	Middlesex, Somerset (Christian)
<input type="checkbox"/>		25 WNYE-TV New York City Dept. of Info., Technology & Telecommunications	Somerset

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
TARGETS PARTIAL COAH REGION 3			
<input type="checkbox"/>		Comcast of Northwest NJ, Southeast Pennsylvania	Partial Hunterdon
<input type="checkbox"/>		Patriot Media & Communications	Partial Hunterdon, Somerset
<input type="checkbox"/>		Service Electric Cable TV of Hunterdon	Partial Hunterdon
X		Cablevision of Raritan Valley	Partial Middlesex, Somerset
X		Comcast of Central NJ, NJ (Union System)	Partial Middlesex
<input type="checkbox"/>		Comcast of Plainfield	Partial Middlesex, Somerset

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 3			
AM			
<input type="checkbox"/>		WFAN 660	
X		WOR 710	
<input type="checkbox"/>		WABC 770	
X		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WWTR 1170	
<input type="checkbox"/>		WTTM 1680	Spanish, Asian, etc.
FM			
<input type="checkbox"/>		WFNY-FM 92.3	
<input type="checkbox"/>		WPAT-FM 93.1	Spanish

<input type="checkbox"/>		WNYC-FM 93.9	
<input type="checkbox"/>		WPST 94.5	
<input type="checkbox"/>		WFME 94.7	
<input type="checkbox"/>		WPLJ 95.5	
<input type="checkbox"/>		WQXR-FM 96.3	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WSKQ-FM 97.9	Spanish
<input type="checkbox"/>		WRKS 98.7	
<input type="checkbox"/>		WAWZ 99.1	Christian
<input type="checkbox"/>		WBAI 99.5	
<input type="checkbox"/>		WPHI-FM 100.3	
<input type="checkbox"/>		WCBS-FM 101.1	
X		WKXW-FM 101.5	
<input type="checkbox"/>		WQCD 101.9	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WPRB 103.3	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WWPR-FM 105.1	
<input type="checkbox"/>		WDAS-FM 105.3	
<input type="checkbox"/>		WLTW 106.7	
TARGETS PARTIAL COAH REGION 3			
AM			
<input type="checkbox"/>		WFIL 560	Hunterdon
<input type="checkbox"/>		WIP 610	Hunterdon
<input type="checkbox"/>		WAEB 790	Hunterdon
<input type="checkbox"/>		WCHR 1040	Hunterdon
<input type="checkbox"/>		WGPA 1100	Hunterdon
<input type="checkbox"/>		WEEX 1230	Hunterdon
<input type="checkbox"/>		WKAP 1470	Hunterdon
<input type="checkbox"/>		WRNJ 1510	Hunterdon

<input type="checkbox"/>		WWJZ 640	Hunterdon, Middlesex
<input type="checkbox"/>		WPHY 920	Hunterdon, Middlesex
<input type="checkbox"/>		WPHT 1210	Hunterdon, Middlesex
<input type="checkbox"/>		WBUD 1260	Hunterdon, Middlesex
<input type="checkbox"/>		WMCA 570	Middlesex (Christian)
<input type="checkbox"/>		WIMG 1300	Middlesex
<input type="checkbox"/>		WCTC 1450	Middlesex, Somerset
FM			
<input type="checkbox"/>		WRTI 90.1	Hunterdon
<input type="checkbox"/>		WCVH 90.5	Hunterdon
<input type="checkbox"/>		WHYY-FM 90.9	Hunterdon
<input type="checkbox"/>		WXTU 92.5	Hunterdon
<input type="checkbox"/>		WAEB-FM 104.1	Hunterdon
<input type="checkbox"/>		WFKB 107.5	Hunterdon
<input type="checkbox"/>		WMMR 93.3	Hunterdon, Middlesex
<input type="checkbox"/>		WYSP 94.1	Hunterdon, Middlesex
<input type="checkbox"/>		WBEN-FM 95.7	Hunterdon, Middlesex
<input type="checkbox"/>		WRDW-FM 96.5	Hunterdon, Middlesex
<input type="checkbox"/>		WOGL 98.1	Hunterdon, Middlesex
<input type="checkbox"/>		WUSL 98.9	Hunterdon, Middlesex
<input type="checkbox"/>		WIOQ 102.1	Hunterdon, Middlesex
<input type="checkbox"/>		WMGK 102.9	Hunterdon, Middlesex
<input type="checkbox"/>		WJJZ 106.1	Hunterdon, Middlesex
<input type="checkbox"/>		WKDN 106.9	Hunterdon, Middlesex (Christian)
<input type="checkbox"/>		WAXQ 104.3	Hunterdon, Middlesex, Somerset
<input type="checkbox"/>		WNTI 91.9	Hunterdon, Somerset
<input type="checkbox"/>		WZZO 95.1	Hunterdon, Somerset
<input type="checkbox"/>		WCTO 96.1	Hunterdon, Somerset
<input type="checkbox"/>		WLEV 100.7	Hunterdon, Somerset
<input type="checkbox"/>		WNJT-FM 88.1	Middlesex
<input type="checkbox"/>		WRSU-FM 88.7	Middlesex

<input type="checkbox"/>		WWFM 89.1	Middlesex
<input type="checkbox"/>		WWPH 107.9	Middlesex
<input type="checkbox"/>		WDVR 89.7	Middlesex, Somerset
<input type="checkbox"/>		WVPH 90.3	Middlesex, Somerset
<input type="checkbox"/>		WMGQ 98.3	Middlesex, Somerset
<input type="checkbox"/>		WBLS 107.5	Middlesex, Somerset
3c. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)			
	NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 3			
Weekly			
	Nuestra Comunidad	Central/South Jersey	Spanish-Language
Monthly			
<input type="checkbox"/>	Sino Monthly	North Jersey/NYC area	Chinese-American
TARGETS PARTIAL COAH REGION 3			
Daily			
<input type="checkbox"/>	24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties	Portuguese-Language
Weekly			
<input type="checkbox"/>	Arab Voice Newspaper	North Jersey/NYC area	Arab-American
<input type="checkbox"/>	Catholic Advocate, The	Essex County area	Catholic
<input type="checkbox"/>	La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>	Amerika Magyar Nepszava (American Hungarian Peoples' Voice)	Central/North Jersey	Hungarian-Language
<input type="checkbox"/>	New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>	Nuestra Comunidad	Central/South Jersey	Spanish-Language
<input type="checkbox"/>	Desi NJ	Central Jersey	South Asian
<input type="checkbox"/>	Ukrainian Weekly	New Jersey	Ukrainian Community
3d. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)			
DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION	

Hunterdon County			
<input checked="" type="checkbox"/>		Merck & Co.	1 Merck Dr., Whitehouse Station
<input type="checkbox"/>		Hunterdon Medical Center	2100 Wescott Drive, Flemington, NJ 08822
<input type="checkbox"/>		Foster Wheeler	Perryville Corporate Park, Clinton, NJ 08809-4000
<input checked="" type="checkbox"/>		Chubb Insurance Co.	202 Halls Mill Rd., Whitehouse Station, NJ 08889
<input type="checkbox"/>		Exxon-Mobil Research & Engineering	1545 US Highway 22 E., Annandale, NJ 08801
<input checked="" type="checkbox"/>		New York Life	110 Cokesbury Rd, Lebanon
Middlesex County			
<input type="checkbox"/>		Bristol-Myers Squibb	1 Squibb Dr, New Brunswick, NJ 08901
<input checked="" type="checkbox"/>		Merrill Lynch & Company	800 Scudders Mill Rd, Plainsboro
<input type="checkbox"/>		Johnson & Johnson	1 Johnson & Johnson Plaza, New Brunswick
<input type="checkbox"/>		Prudential Insurance Company	44 Stelton Rd. # 130, Piscataway
<input type="checkbox"/>		Robert Wood Johnson University Hospital	1 Robert Wood Johnson Pl., New Brunswick, NJ 08901
<input type="checkbox"/>		Silverline Building Products	207 Pond Ave, Middlesex, NJ 08846
<input type="checkbox"/>		St. Peter's University Hospital	254 Easton Ave., New Brunswick
<input type="checkbox"/>		Telecordia Technology	444 Hoes Ln., Piscataway
<input type="checkbox"/>		J.F.K. Medical Center	65 James Street, Edison, NJ 08818
<input type="checkbox"/>		Raritan Bay Medical Center	530 New Brunswick Av., Perth Amboy, NJ 08861
<input type="checkbox"/>		Amerada Hess Corporation	405 Main St., Woodbridge and 679 Convery Blvd., Perth Amboy
<input type="checkbox"/>		Dow Jones & Company	54 Eddington Ln., Monroe Twp
<input type="checkbox"/>		Siemens AG	755 College Rd. E., Princeton
<input checked="" type="checkbox"/>		AT&T	1 Highway Ter., Edison
<input type="checkbox"/>		Engelhardt Corporation	101 Wood Ave. S., Metuchen
Somerset County			
<input type="checkbox"/>		AT&T	1414 Campbell St., Rahway
<input type="checkbox"/>		ABC Limousine	574 Ferry St., Newark
<input type="checkbox"/>		Bloomberg LP	1350 Liberty Ave., Hillside
<input type="checkbox"/>		Courier News	1091 Lousons Road, PO Box 271, Union, NJ
<input type="checkbox"/>		Emcore Corp.	800 Rahway Ave. Union, NJ
<input type="checkbox"/>		Ethicon, Inc.	1515 West Blancke Street, Bldgs 1501 and 1525, Linden, NJ

<input type="checkbox"/>		Fedders Corp.	27 Commerce Drive, Cranford, NJ
<input type="checkbox"/>		ICI Americas, Inc.	450 West First Ave., Roselle, NJ
<input type="checkbox"/>		ITW Electronic Component Packaging	600 Mountain Ave., Murray Hill, NJ
<input checked="" type="checkbox"/>		Johnson & Johnson	1 Merck Drive, PO Box 2000 (RY60-200E), Rahway, NJ
<input type="checkbox"/>		Tekni-Plex, Inc.	865 Stone Street, Rahway, NJ
		Ortho-Clinical Diagnostics, Inc.	1401 Park Ave. South, Linden
<input type="checkbox"/>		Hooper Holmes, Inc.	170 Mount Airy Rd., Basking Ridge, NJ 07920

3e. Community Contacts (names of community groups/organizations throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing)

Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
Fair Share Housing Center	Statewide	All	
Norwescap	Northwest NJ	All	
Central Jersey Housing Resource Center	Central NJ	All	

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:

4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (Check all that applies)

	BUILDING	LOCATION
<input type="checkbox"/>	Middlesex County Administration Bldg.	75 Bayard Lane, New Brunswick, NJ 08903
<input type="checkbox"/>	Somerset County Admin. Bldg.	20 Grove Street, Somerville, NJ 08876
<input type="checkbox"/>	Somerset County Library Headquarters	1 Vogt Drive, Bridgewater, NJ 08807
<input type="checkbox"/>	Hunterdon County Library Headquarters	314 State Highway 12, Flemington, NJ 08822

4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)

Clinton Town Municipal Building, 43 Leigh Street, Clinton NJ 08809

4c. Sales/Rental Office for units (if applicable)

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the (select one: Municipality's COAH substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI funding).

Name (Type or Print)

Title/Municipality

Signature

Date

Appendix 10

Article XII Development Fees

§ 88-81 Purpose.

A. In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.

B. Pursuant to P.L.2008, c.46 section 8 (N.J.S.A. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), COAH was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that were under the jurisdiction of the Council and are now before a court of competent jurisdiction and have a court-approved spending plan may retain fees collected from nonresidential development.

C. This article establishes standards for the collection, maintenance, and expenditure of development fees in a manner consistent with COAH's regulations and in accordance with P.L.2008, c.46, Sections 8 and 32-38 and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), as directed by the court. Fees collected pursuant to this article shall be used for the sole purpose of providing low- and moderate-income housing in accordance with a court-approved spending plan. This article shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq., as amended and supplemented and the New Jersey Fair Housing Act of 1985

§ 88-82 Basic requirements.

A. This article shall not be effective until approved by the court.

B. Clinton Town shall not spend development fees until the court has approved a plan for spending such fees.

§ 88-83 Definitions.

The following terms, as used in this article, shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

COAH or THE COUNCIL

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

DEVELOPER

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 FEE

Money paid by a developer for the improvement of property as authorized by Holmdel Builder's Association v. Holmdel Borough, 121 N.J. 550 (1990) and the Fair Housing Act of 1985, N.J.S.A. 52:27d-301, et seq., and as regulated by applicable COAH rules.

EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed-to-true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (N.J.S.A. 54:1-35a through N.J.S.A. 54:1-35c).

GREEN BUILDING STRATEGIES

Those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

§ 88-84 Residential development fees.

A. Imposed fees.

(1) Residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1 1/2% of the equalized assessed value for residential development, provided no increased density is permitted.

(2) When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1 1/2% of the equalized assessed value on the first two units; and the specified higher percentage up to 6% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential development.

(1) Affordable housing developments and/or developments where the developer has made a payment in lieu of on-site construction of affordable units, if permitted by Ordinance or by Agreement with the Town of Clinton, shall be exempt from the payment of development fees.

(2) Developments that have received preliminary or final site plan approval prior to the adoption of this Ordinance and any preceding Ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where site plan approval is not applicable, the issuance of a Zoning Permit and/or Construction Permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be

determined based upon the Development Fee Ordinance in effect on the date that the Construction Permit is issued.

- (3) Any repair, reconstruction or improvement of a structure, the cost of which is less than 50% of the market value of the structure before the improvement or repair is started. For purpose of this section, "market value" shall mean the equalized assessed value of the existing improvement as established by the Borough Tax Assessor. The cost of the repair, reconstruction or improvements shall be determined by an itemized construction cost estimate prepared and submitted to the Construction Official. The estimate shall be signed and sealed by an architect or professional engineer licensed by the State of New Jersey, or where no such professionals are retained, signed by the contractor or the homeowner. Where prepared by the homeowner or contractor, the Borough Engineer may review such estimates for accuracy. "Substantial improvement" is considered to commence when the first alteration of any wall, floor or other structural part of the building commences, whether or not the alteration affects the external dimensions of the structure. The term does not, however, include either:
 - (a) Any project for improvement of a structure to comply with existing state or local building, fire, health, sanitary or safety code specifications which are solely necessary to assure safe living conditions; or
 - (b) Any alteration of a structure listed on the National Register of Historic Places or a state inventory of historic places but a development fee shall be charged for any new dwelling constructed as a replacement for a previously existing dwelling on the same lot that was or will be demolished, unless the owner resided in the previous dwelling for a period of one year or more prior to obtaining a demolition permit. Where a development fee is charged for a replacement dwelling, the development fee shall be calculated on the increase in the equalized assessed value of the new structure as compared to the previous structure.
- (4) Structural alterations that do not increase gross floor area of a building or structure or increase the equalized assessed value of a property shall be exempted from paying a development fee.
- 5) Nonprofit organizations constructing residential projects which have received tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code, providing current evidence of that status is submitted to the Municipal Clerk, together with a certification that services of the organization are provided at reduced rates to those who establish an inability to pay existing charges, shall be exempted from paying a development fee.
- 6) Federal, state, county and local governments shall be exempted from paying a development fee.

7) Homes replaced as a result of a natural disaster, fire or flood shall be exempt from the payment of a development fee. (This exemption applies only for the owner of record at the time of the fire, flood, or natural disaster.)

§ 88-85 Nonresidential development fees.

A. Imposed fees.

(1) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2 1/2% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.

(2) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2 1/2% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.

(3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2 1/2% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

(1) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the development fee of 2 1/2%, unless otherwise exempted below.

(2) The fee of 2 1/2% shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

(3) Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.

(4) A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L.2008, c.46, shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.

(5) If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by Clinton Town as a lien against the real property of the owner.

- (6) Federal, state, county and local governments constructing housing shall be exempted from paying a development fee.

§ 88-86 Collection procedures.

A. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.

B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

C. The construction official responsible for the issuance of a building permit shall notify the local Tax Assessor of the issuance of the first building permit for a development which is subject to a development fee.

D. Within 90 days of receipt of that notice, the municipal Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.

E. The construction official responsible for the issuance of a final certificate of occupancy notifies the local Assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.

F. Within 10 business days of a request for the scheduling of a final inspection, the municipal Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

G. Should Clinton Town fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L.2008, c.46 (N.J.S.A. 40:55D-8.6).

(1) Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy.

(2) The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

H. Appeal of development fees.

(1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Clinton Town.

Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

(2) A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by Clinton Town. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§ 88-87 Affordable Housing Trust Fund.

A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the chief financial officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.

B. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

- (1) Payments in lieu of on-site construction of affordable units;
- (2) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
- (3) Rental income from municipally operated units;
- (4) Repayments from affordable housing program loans;
- (5) Recapture funds;
- (6) Proceeds from the sale of affordable units; and
- (7) Any other funds collected in connection with Clinton Town's affordable housing program.

C. In the event of a failure by Clinton Town to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within Clinton Town, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund or impose such other remedies as may be reasonable and appropriate to the circumstances.

D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the court.

§ 88-88 Use of funds.

A. The expenditure of all funds shall conform to a spending plan approved by the court. Funds deposited in the housing trust fund may be used for any activity approved by the court to address the Town's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.

B. Funds shall not be expended to reimburse Clinton Town for past housing activities.

C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.

(1) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.

(2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.

(3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

D. Clinton Town 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.

E. No more than 20% of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with monitoring requirements. Legal or other fees related to litigation opposing

affordable housing sites or related to securing or appealing a judgement from the court are not eligible uses of trust funds.

§ 88-88.1 Monitoring.

Clinton Town shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or Local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or Local Government Services. The reporting shall include an accounting of all trust fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Town), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Borough owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Clinton's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the spending plan approved by the court.

§ 88-88.2 Ongoing collection of fees.

The ability for Clinton Town to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its Judgment of Compliance unless Clinton Town has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a Judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan. If Clinton Town fails to renew its ability to impose and collect development fees prior to the expiration of judgment of compliance, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L.1985, c.222 (N.J.S.A. 52:27D-320). Clinton Town shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall Clinton Town retroactively impose a development fee on such a development. Clinton Town shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

Appendix 11

Article XII Development Fees

§ 88-81 Purpose.

A. In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.

B. Pursuant to P.L.2008, c.46 section 8 (N.J.S.A. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), COAH was authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that were under the jurisdiction of the Council and are now before a court of competent jurisdiction and have a court-approved spending plan may retain fees collected from nonresidential development.

C. This article establishes standards for the collection, maintenance, and expenditure of development fees in a manner consistent with COAH's regulations and in accordance with P.L.2008, c.46, Sections 8 and 32-38 and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), as directed by the court. Fees collected pursuant to this article shall be used for the sole purpose of providing low- and moderate-income housing in accordance with a court-approved spending plan. This article shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1, et seq., as amended and supplemented and the New Jersey Fair Housing Act of 1985

§ 88-82 Basic requirements.

A. This article shall not be effective until approved by the court.

B. Clinton Town shall not spend development fees until the court has approved a plan for spending such fees.

§ 88-83 Definitions.

The following terms, as used in this article, shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a one-hundred-percent affordable development.

COAH or THE COUNCIL

The New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the state.

DEVELOPER

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 FEE

Money paid by a developer for the improvement of property as authorized by Holmdel Builder's Association v. Holmdel Borough, 121 N.J. 550 (1990) and the Fair Housing Act of 1985, N.J.S.A. 52:27d-301, et seq., and as regulated by applicable COAH rules.

EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed-to-true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (N.J.S.A. 54:1-35a through N.J.S.A. 54:1-35c).

GREEN BUILDING STRATEGIES

Those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

§ 88-84 Residential development fees.

A. Imposed fees.

(1) Residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1 1/2% of the equalized assessed value for residential development, provided no increased density is permitted.

(2) When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1 1/2% of the equalized assessed value on the first two units; and the specified higher percentage up to 6% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential development.

(1) Affordable housing developments and/or developments where the developer has made a payment in lieu of on-site construction of affordable units, if permitted by Ordinance or by Agreement with the Town of Clinton, shall be exempt from the payment of development fees.

(2) Developments that have received preliminary or final site plan approval prior to the adoption of this Ordinance and any preceding Ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where site plan approval is not applicable, the issuance of a Zoning Permit and/or Construction Permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be

determined based upon the Development Fee Ordinance in effect on the date that the Construction Permit is issued.

- (3) Any repair, reconstruction or improvement of a structure, the cost of which is less than 50% of the market value of the structure before the improvement or repair is started. For purpose of this section, "market value" shall mean the equalized assessed value of the existing improvement as established by the Borough Tax Assessor. The cost of the repair, reconstruction or improvements shall be determined by an itemized construction cost estimate prepared and submitted to the Construction Official. The estimate shall be signed and sealed by an architect or professional engineer licensed by the State of New Jersey, or where no such professionals are retained, signed by the contractor or the homeowner. Where prepared by the homeowner or contractor, the Borough Engineer may review such estimates for accuracy. "Substantial improvement" is considered to commence when the first alteration of any wall, floor or other structural part of the building commences, whether or not the alteration affects the external dimensions of the structure. The term does not, however, include either:
 - (a) Any project for improvement of a structure to comply with existing state or local building, fire, health, sanitary or safety code specifications which are solely necessary to assure safe living conditions; or
 - (b) Any alteration of a structure listed on the National Register of Historic Places or a state inventory of historic places but a development fee shall be charged for any new dwelling constructed as a replacement for a previously existing dwelling on the same lot that was or will be demolished, unless the owner resided in the previous dwelling for a period of one year or more prior to obtaining a demolition permit. Where a development fee is charged for a replacement dwelling, the development fee shall be calculated on the increase in the equalized assessed value of the new structure as compared to the previous structure.
- (4) Structural alterations that do not increase gross floor area of a building or structure or increase the equalized assessed value of a property shall be exempted from paying a development fee.
- 5) Nonprofit organizations constructing residential projects which have received tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code, providing current evidence of that status is submitted to the Municipal Clerk, together with a certification that services of the organization are provided at reduced rates to those who establish an inability to pay existing charges, shall be exempted from paying a development fee.
- 6) Federal, state, county and local governments shall be exempted from paying a development fee.

7) Homes replaced as a result of a natural disaster, fire or flood shall be exempt from the payment of a development fee. (This exemption applies only for the owner of record at the time of the fire, flood, or natural disaster.)

§ 88-85 Nonresidential development fees.

A. Imposed fees.

(1) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2 1/2% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.

(2) Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2 1/2% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.

(3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2 1/2% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

(1) The nonresidential portion of a mixed-use inclusionary or market-rate development shall be subject to the development fee of 2 1/2%, unless otherwise exempted below.

(2) The fee of 2 1/2% shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

(3) Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.

(4) A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L.2008, c.46, shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.

(5) If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by Clinton Town as a lien against the real property of the owner.

- (6) Federal, state, county and local governments constructing housing shall be exempted from paying a development fee.

§ 88-86 Collection procedures.

A. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.

B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

C. The construction official responsible for the issuance of a building permit shall notify the local Tax Assessor of the issuance of the first building permit for a development which is subject to a development fee.

D. Within 90 days of receipt of that notice, the municipal Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.

E. The construction official responsible for the issuance of a final certificate of occupancy notifies the local Assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.

F. Within 10 business days of a request for the scheduling of a final inspection, the municipal Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.

G. Should Clinton Town fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L.2008, c.46 (N.J.S.A. 40:55D-8.6).

(1) Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy.

(2) The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

H. Appeal of development fees.

(1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Clinton Town.

Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

(2) A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by Clinton Town. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§ 88-87 Affordable Housing Trust Fund.

A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the chief financial officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.

B. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

- (1) Payments in lieu of on-site construction of affordable units;
- (2) Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
- (3) Rental income from municipally operated units;
- (4) Repayments from affordable housing program loans;
- (5) Recapture funds;
- (6) Proceeds from the sale of affordable units; and
- (7) Any other funds collected in connection with Clinton Town's affordable housing program.

C. In the event of a failure by Clinton Town to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved Spending Plan and to expend funds within the applicable required time period as set forth in In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563); or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within Clinton Town, or, if not practicable, then within the County or the Housing Region.

Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund or impose such other remedies as may be reasonable and appropriate to the circumstances.

D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the court.

§ 88-88 Use of funds.

A. The expenditure of all funds shall conform to a spending plan approved by the court. Funds deposited in the housing trust fund may be used for any activity approved by the court to address the Town's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.

B. Funds shall not be expended to reimburse Clinton Town for past housing activities.

C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.

(1) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.

(2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.

(3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.

D. Clinton Town 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.

E. No more than 20% of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with monitoring requirements. Legal or other fees related to litigation opposing

affordable housing sites or related to securing or appealing a judgement from the court are not eligible uses of trust funds.

§ 88-88.1 Monitoring.

Clinton Town shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or Local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or Local Government Services. The reporting shall include an accounting of all trust fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, payments in lieu of constructing affordable units on site (if permitted by Ordinance or by Agreement with the Town), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Borough owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Clinton's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the spending plan approved by the court.

§ 88-88.2 Ongoing collection of fees.

The ability for Clinton Town to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its Judgment of Compliance unless Clinton Town has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated State administrative agency, has petitioned for a Judgment of Compliance from the Court or for Substantive Certification or its equivalent from a State administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan. If Clinton Town fails to renew its ability to impose and collect development fees prior to the expiration of judgment of compliance, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L.1985, c.222 (N.J.S.A. 52:27D-320). Clinton Town shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall Clinton Town retroactively impose a development fee on such a development. Clinton Town shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

Appendix 12

Town of Clinton
Hunterdon County, NJ

Fourth Round Spending Plan

May 13, 2025

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

Town of Clinton
County of Hunterdon
Spending Plan
May 2025

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
Total		\$775,852	\$509,696	\$9,763	\$9,837	\$9,912	\$50,000	\$1,365,060

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
Total	=	\$1,457,080
PROJECTED MINIMUM Affordability Assistance Requirement 7/1/2025 through 6/30/2035 (30% of Total collected plus interest)	=	\$437,124
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 7/1/2025 through 6/30/2035 (1/3 of affordability assistance requirement)	=	\$145,708
Total Remaining to Fund Mechanisms		\$1,019,956

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
Sub-Total	\$1,457,080
\$1,457,080 x 20 percent	\$291,416
Actual expenditures from inception of Housing Trust Fund through May 2025	-----
Remaining balance available for administrative purposes	\$291,416

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

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