

**BOROUGH OF MILFORD
COUNTY OF HUNTERDON
RESOLUTION RE2026-034**

**ADOPTION OF SPENDING PLAN FOR THE
BOROUGH OF MILFORD FOR 2025-2035**

WHEREAS, the Borough of Milford’s Housing Element and Fair Share Plan promotes an affordable housing program pursuant to the Fair Housing Act (N.J.S.A. 52:27D-301, et. seq.), the New Jersey Uniform Housing Affordability Controls (“UHAC”) (N.J.A.C. 5:80-26.1 et. seq.) and the Council on Affordable Housing (“COAH”) Rules (N.J.A.C. 5:93-1, et. seq.); and

WHEREAS, in accordance with the Fair Housing Act and the provisions of UHAC, the Borough of MILFORD is required to adopt by resolution a Spending Plan to outline the utilization of affordable housing trust funds (development fees and interest) to comply with the Mount Laurel Doctrine, which mandates that towns provide their "fair share" of low- and moderate-income housing.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Borough of Milford, County of Hunterdon, State of New Jersey, do hereby adopt the Spending Plan set forth as attached hereto.

This being submitted at a regular meeting on February 2, 2026.

ROLL CALL VOTE

Council Vote	Motion	Second	Ayes	Nays	Abstain	Absent
Noralie LaFevre			X			
James Gallos		X	X			
Alex Peredjogin			X			
Helen Livingston			X			
Elisa Yager	X		X			
Douglas Sloyer			X			
Henri Schepens, Mayor*						

CERTIFICATION

I, Leigh Gronau, Municipal Clerk of the Borough of Milford, County of Hunterdon, State of New Jersey do hereby certify that the foregoing Resolution to be a true and exact copy of the Resolution adopted by the Milford Borough Common Council at the Council meeting held on Monday, February 2, 2026.

Leigh Gronau
Leigh Gronau, RMC
Municipal Clerk

February 2, 2026
Date of Certification

January 30, 2026
Borough of Milford
Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The Borough of Milford (hereinafter the "Borough"), Hunterdon County, has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99). The Borough began collecting development fees in 2005 to be put towards their affordable housing trust fund.

As of **July 1, 2025**, the Borough has a balance of **\$34,324** in its Affordable Housing Trust fund. All development fees and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund account for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

It is anticipated that during the period of July 1, 2025 through June 30, 2035, which encompasses the period that the Borough will have a Fourth Round Judgment of Compliance and Repose (hereinafter "Fourth Round JOR"), the Borough will add an additional **\$134,000** to its Affordable Housing Trust Fund. This is detailed below.

- (a) Development fees: The Borough anticipates collection that approximately **\$130,000** in development fees will be generated during the Fourth Round. This figure is based upon development fees collected during the third round and projecting forward.
- (b) Payment in lieu (PIL): The Borough does not currently anticipate the contribution of any payments in lieu toward the municipal Affordable Housing Trust Fund during the period of its Fourth Round JOR.
- (c) Other Funds: The Borough does not currently anticipate the contribution of any other funds toward the municipal Affordable Housing Trust Fund during the period of its Fourth Round JOR.

(d) Projected interest: It is estimated that the Borough will collect approximately **\$4,000** in total interest between July 1, 2025 and June 30, 2035. This figure assumes that, on average, the Borough will collect approximately \$400 in interest per year throughout the Fourth Round.

SOURCE OF FUNDS	PROJECTED REVENUES – AFFORDABLE HOUSING TRUST FUND JULY 1, 2025 THROUGH JUNE 30, 2035											
	7/1/2025- 12/31/2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	1/1/2035- 6/30/2035	Total
(a) Development fees:												
Residential Development	\$6,500	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$6,500	\$130,000
Non-Residential Development	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
(b) Payments in Lieu of Construction	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
(c) Other Funds	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
(d) Interest	\$200	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$200	\$4,000
Total	\$6,700	\$13,400	\$6,700	\$134,000								

In sum, the Borough projects a total of **\$134,000** in revenue to be collected between July 1, 2025 and June 30, 2035. This projected amount, when added to current trust fund balance of **\$34,324**, results in a total anticipated trust fund balance of **\$168,324** available to fund and administer the Borough's affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

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 Borough:

- (a) Collection of development fee revenues: Collection of development fee revenues shall be consistent with the Borough's development fee ordinance for both residential and non-residential developments in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (FHA-2) (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99).
- (b) Distribution of development fee revenues: The Joint Land Use Board adopts and forwards a resolution to the Common Council recommending the expenditure of development fee revenues as set forth in this spending plan. The Common Council reviews the request for consistency with the spending plan and adopts the recommendation by resolution. The release of funds requires adoption of the governing body resolution in accordance with the spending plan. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

- (a) Rehabilitation. The Borough has a rehabilitation obligation of 3 units. The Borough will participate in the Hunterdon County Rehabilitation Program and will provide a rehabilitation program with distribution of funds from the Affordable Housing Trust Fund in the event that there is an inquiry from an eligible rental as a result of its Affirmative Marketing Plan. The Borough will set aside **\$88,357** for rehabilitation.
- (b) Affordability Assistance. The Borough will set aside a portion of all revenues collected from development fees for the purpose of affordability assistance to low- and moderate-income households. "Affordability assistance" means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner's association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code. Based on fees and interest collected to date and projected revenues, the Borough will dedicate at least **\$57,099** from the affordable housing trust fund for this purpose through June 30, 2035.

(c) Administrative Expenses. Per N.J.A.C. 5:99-2.4(a), no more than 20% of all affordable housing trust funds shall be expended on administration. The Borough projects that a maximum of **\$22,869** will be available from the affordable housing trust fund to be used for administrative purposes through June 30, 2035. Such administrative expenditures, subject to the 20% cap, may include payment for actions and efforts reasonably related to the determination of the Borough’s fair share obligation and the development of its Housing Element and Fair Share Plan pursuant to paragraphs (1) and (2) of subsection f. of section 3 of P.L. 2024, c.2 (“FHA”), and for expenses that are reasonably necessary for compliance with the processes of the program.

Actual development fees + interest through 6/30/25		\$24,195
Development fees + interest projected 7/1/2025-6/30/2035		\$134,000
other deposits		\$32,665
20 percent requirement	x 0.20 =	\$31,639
Less administrative expenditures through 12/31/25	-	\$8,770
PROJECTED MAXIMUM Administrative Expenses 7/1/25-6/30/35	=	\$22,869

(d) Other Emergent Housing Opportunities. The Borough can reserve any remaining trust fund balance for other emergent opportunities to create affordable housing that may arise during the Fourth Round. The Borough shall seek approval for any emergent affordable housing opportunities not included in the Borough’s fair share plan in accordance with N.J.A.C. 5:99-4.1.

4. EXPENDITURE SCHEDULE

The Borough intends to use affordable housing trust fund revenues for the creation of housing units, affordability assistance, and administration. Where applicable, the funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.

PROJECTS / PROGRAMS	Number of units	PROJECTED EXPENDITURES – AFFORDABLE HOUSING TRUST FUND JULY 1, 2025 THROUGH JUNE 30, 2035											Total		
		7/1/25 to 12/31/25	2026	2027	2028	2029	2030	2031	2032	2033	2034	1/1/35 to 6/30/35			
Rehabilitation	3	\$4,418	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$8,836	\$4,418	\$88,357
Affordability Assistance		\$2,855	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$5,710	\$2,855	\$57,099
Administration		\$1,143	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$2,287	\$1,143	\$22,869
Total		\$8,416	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$16,832	\$8,416	\$168,324

5. EXCESS OR SHORTFALL OF FUNDS

In the event of any expected or unexpected shortfall of funds necessary to implement the Fair Share Plan, the Borough will handle the shortfall of funds through an alternative funding source to be identified by the Borough and/or by adopting a resolution with an intent to bond. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated toward the Borough's additional affordability assistance and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

6. SUMMARY

The Borough intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99 and consistent with the housing programs outlined in the Borough's Housing Element and Fair Share Plan.

The Borough had a balance of **\$34,324** as of July 1, 2025 and anticipates an additional **\$134,000** in revenues through June 30, 2035 for a total of **\$168,324**. During the period of the Borough's Fourth Round JOR through June 30, 2035, the Borough agrees to set aside **\$88,357** for rehabilitation activity, **\$57,099** towards affordability assistance, and **\$22,869** towards administrative costs, that may arise during the Fourth Round, totaling **\$168,324** in anticipated expenditures.

Any shortfall of funds will be offset by an alternative funding source to be identified by the Borough. In the unlikely event that no alternative funding is available, the Borough will bond to provide the necessary funding. The Borough will dedicate any excess funds or remaining balance toward its affordability assistance and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

SPENDING PLAN SUMMARY		
Balance as of July 1, 2025		\$34,324
PROJECTED REVENUE 2025-2035		
Development fees	+	\$130,00
Interest	+	\$4,000
SUBTOTAL REVENUE	=	\$134,000
TOTAL REVENUE = \$168,324		
PROJECTED EXPENDITURES 2025-2035		
Rehabilitation Program	-	\$88,357
Affordability Assistance	-	\$57,099
Administration	-	\$22,869
Other Emergent Opportunities		
TOTAL PROJECTED EXPENDITURES	=	\$168,324
REMAINING BALANCE	=	\$0.00