

## **FOURTH ROUND**

### **HOUSING ELEMENT AND FAIR SHARE PLAN**

BOROUGH OF OCEANPORT | MONMOUTH COUNTY, NEW JERSEY

MAY 2025



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**FOURTH ROUND HOUSING ELEMENT  
AND FAIR SHARE PLAN**

ADOPTED BY THE PLANNING BOARD: MAY 27, 2025

ENDORSED BY THE MAYOR & COUNCIL:

PREPARED BY:

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A SIGNED AND SEALED ORIGINAL IS ON FILE WITH THE BOROUGH CLERK

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## **INTRODUCTION & EXECUTIVE SUMMARY**

Since the 1975 New Jersey Supreme Court decision known as “Mount Laurel I”, New Jersey municipalities have had a constitutional obligation to provide opportunities for the 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 a specific number of affordable housing units that must be created or planned for creation to have “satisfied” their constitutional obligation, commonly referred to as their affordable housing obligation. The purpose of this Fourth Round Housing Element and Fair Share Plan is to present how Oceanport Borough will address its affordable housing 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, with limited exceptions, must remain reserved for very-low-, low-, and moderate-income households for a minimum of 30 years and for rental units, 40 years, and it is typically enforced by a deed restriction. Each affordable unit is eligible for one “credit” against the obligation and certain units are eligible for “bonus credits”, which provide more than one credit per unit. In addition to providing the minimum number of credits, municipalities must ensure diversity in the level of affordability – meaning very-low-, low- and moderate-income units – and diversity in the size of affordable units – meaning 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, our laws heavily incentivize voluntary compliance. Municipalities that do not voluntarily comply may be vulnerable to “builder’s remedy” litigation. A builder’s remedy is a litigation tool to compel the municipality to include a builder’s site in the Fair Share plan. However, to secure such a remedy, the developer must “succeed in litigation”, provide a “substantial” affordable housing set-aside and the developer’s “proposed project” must not clearly violate “sound land use planning”. The Supreme Court’s desire to ensure that developers who provide affordable housing do so in accordance with sound planning, which is a pillar of the Mount Laurel doctrine.

### **The Housing Element and Fair Share Plan**

In accordance with the Amended Fair Housing Act (“FHA”) this Housing Element and Fair Share Plan includes the following:

- a. An inventory of the municipality’s housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing for the next ten (10) years, taking into account, but not necessarily limited to, construction permits issued, approvals of

- applications for development, and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
  - d. An analysis of the existing and probable future employment characteristics of the municipality;
  - e. A determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing;
  - f. A consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to providing low and moderate income housing;
  - g. 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, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c. 273 (C.52:27D-329.20); and
  - h. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Items a through d are included as an appendix item and items e through h are included in the body of this Fair Share Plan.

## **AFFORDABILITY REQUIREMENTS**

Affordable housing is defined under New Jersey's FHA as a dwelling, either for sale or rent, which is within the financial means of households of very-low-, low-, or moderate-income, as is measured within each housing region. Oceanport Borough is in Region 4, which includes Mercer, Monmouth, and Ocean 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.

Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.3, et seq., requires that the maximum rent for a qualified unit be affordable to households with incomes 60% or less than the median income for the region. 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 calculation uses 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. It is from these income limits that the rents and sale prices for affordable units are derived. Said income limits post Mount Laurel IV are now set by Court Order.

To update income limits, the Borough will rely on the Order entered for all of Monmouth County on April 18, 2019, by the Monmouth County Superior Court, which establishes the criteria to follow annually update income limits.

For 2024, the Affordable Housing Professionals of New Jersey (“AHPNJ”) and Fair Share Housing Center (FSHC) have jointly developed updated income limits for all housing regions in New Jersey, which were calculated using the methodology outlined above. As approved by the Court, these income limits for Region 4 will be utilized for Oceanport. See Table 1 for 2024 income limits for Region 4.

Table 1: 2024 Income Limits for Region 4					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	\$72,830	\$83,234	\$93,639	\$104,043	\$112,367
Low	\$45,519	\$52,022	\$58,524	\$65,027	\$70,229
Very Low	\$27,311	\$31,213	\$35,115	\$39,016	\$42,137
Source: 2024 Income Limits prepared by Affordable Housing Professionals of New Jersey.					

The following tables provide illustrative sale prices and gross rents for 2024. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units.

Table 2: Illustrative 2024 Affordable Gross Rents for Region 4			
Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate	\$2,060	\$2,475	\$2,850
Low	\$1,280	\$1,545	\$1,785
Very Low	\$770	\$925	\$1,071
Source: 2024 Affordable Housing Pricing Calculator: Affordable Housing Calculator prepared by Affordable Housing Professionals of New Jersey.			

<b>Table 3: Illustrative 2024 Affordable Sales Prices for Region 4</b>			
<b>Household Income Levels (% of Median Income)</b>	<b>1 Bedroom Unit Price</b>	<b>2 Bedroom Unit Price</b>	<b>3 Bedroom Unit Price</b>
Moderate	\$190,029	\$229,913	\$267,137
Low	\$133,053	\$161,541	\$188,130
Very Low	\$118,909	\$144,448	\$168,378
<i>Source: 2024 Affordable Housing Pricing Calculator: Affordable Housing Pricing Calculator prepared by Affordable Housing Professionals of New Jersey.</i>			

## **PRESENT AND PROSPECTIVE NEED OBLIGATION**

The fair share affordable housing obligation consists of a rehabilitation component (present need) and a new construction component (prospective need). Pursuant to the Amended Fair Housing Act, the NJ State Department of Community Affairs (DCA) was required to calculate the rehabilitation (present need) and prospective need obligations for municipalities within the State. The methodology to calculate the municipality's obligation was based on three main factors including the median household income as compared to the total Region 4 median household income, the total municipal nonresidential property valuation as compared to the total Region 4 nonresidential property valuation and municipality's total developable land as compared to the developable land in Region 4.

The FHA entitled municipalities to adjust the obligation if the information used in the DCA calculation was outdated or in error. After the review of the DCA methodology for the present and prospective need obligations, the Borough determined that the DCA calculation was correct and adopted the DCA calculations for present and prospective need for the Fourth Round. The Borough's obligation for the Fourth Round is as follows

- **Present Need (Rehabilitation): 0 units.** The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Oceanport Borough occupied by low- and moderate-income households.
- **Prospective Need: 61 units.** The prospective need obligation can be defined as the cumulative July 1, 2025, through June 30, 2035, new construction affordable housing obligation.

## **Vacant Land Adjustment and Realistic Development Potential (RDP) Analysis**

If there is a lack of sufficient land to meet the new construction obligation, a municipality is entitled to rely on COAH regulations to adjust the new construction obligation downward pursuant to N.J.S.A 52:27D-311 (m). The adjusted number is known as the realistic development potential (RDP). The RDP represents the portion of the new construction affordable housing obligation that can theoretically be addressed

with inclusionary development (defined as a mix of market and affordable units) on lots identified as being suitable in the Vacant Land Analysis (“VLA”). The portion of the new construction obligation for which there is insufficient land is known as the “unmet need”. The unmet need is calculated as the difference between the total obligation and the RDP.

Due to the total Prior Round (1987-1999) and Third Round (1999-2025) obligations being outsized as compared to the availability of developable land in Oceanport Borough, the Borough applied a vacant land adjustment that reflects a Realistic Development Potential (hereinafter “RDP”) and a remaining unmet need.

The Borough’s vacant land adjustment resulted in a combined Prior Round and Third Round RDP and unmet need of the following:

- RDP: 33 units (24 units and 9 bonus credits)
- Unmet Need: 258 units

The Amended FHA permits municipalities to rely on COAH regulations that do not contradict the Amended FHA or a binding court decision. COAH regulations recognized that a municipality that spent the time and effort to secure a vacant land adjustment should not be required to do that analysis again:

*COAH regulations N.J.A.C. 5:97-5.1 (d): A vacant land adjustment that was granted as part of a first round certification or judgment of compliance shall continue to be valid provided the municipality has implemented all of the terms of the substantive certification or judgment of compliance, and received or petitioned to the Council for second round substantive certification or was under the Court's jurisdiction for second round. If the municipality failed to implement the terms of the substantive certification or judgment of compliance, the Council may reevaluate the vacant land adjustment.*

The Borough was originally granted a Final Judgment of Compliance from Monmouth County Superior Court for the Prior and Third round adjusted obligation on The Court found that the Borough was entitled to adjust its new construction obligation to 33 based upon the lack of vacant developable land. Under COAH Third Round regulations, the Borough is entitled to rely on its prior vacant land adjustment. N.J.A.C. 5:97-5.1 (d). Although COAH was abolished by N.J.S.A. 52:27D-304.1, the Borough is entitled to rely on COAH’s Third Round regulation since it has not been contradicted by statutory amendment or a binding court decision. N.J.S.A. 52:27D-311(m).

The Borough has implemented all the terms of the Judgment of Compliance and therefore does not need to reevaluate the vacant land adjustment. The following table provides the status of the projects that addressed the Prior and Third Round RDP obligation:

Program	Unit Type	Units	Status
Oceanport Village	Inclusionary Family Rental	12	Occupied
Oceanport Manor	100% Family Rental	9 of 12	Occupied
Borough Hall Redevelopment (Martelli at Oceanport on East Main Street)	Off-Site Inclusionary Family Rental	3	Occupied
Total		24	

In addition, there have been no changes within the Borough since the Court approval that would create additional realistic development opportunities. Since the Borough lacked sufficient land to satisfy its Prior and Third Round Obligation of 291, it obviously lacks sufficient land to satisfy the additional 61-unit obligation imposed in the Fourth Round. The Borough's continued entitlement to a vacant land adjustment for the 61-unit Fourth Round obligation is also assumed to be valid.

As such, the Borough shall rely on COAH's regulations and adopts an RDP of zero (0) for the Fourth Round.

### Unmet Need Determination

The Borough's prospective need obligation is 61 units and with a zero (0) RDP, the full prospective need obligation is considered to be unmet need. The Amended FHA requires a municipality that receives an adjustment of the prospective need to identify sufficient parcels that are likely to redevelop during the fourth round to address 25 percent of the adjusted prospective need with realistic or meaningful zoning. While there are questions related to the interpretation of whether the "adjusted prospective need" refers to RDP or Unmet Need obligations, the Borough will provide a plan that includes a proposed development project and an existing special needs apartment complex to address its unmet need obligation.

## **FAIR SHARE PLAN**

### **Third Round Compliance Status**

Pursuant to the Amended FHA, the Fourth Round Fair Share Plan is required to provide an assessment of the degree to which the prior rounds fair share obligations have been met as established by prior court approval. The municipality is required to determine to what extent the obligation is unfulfilled or whether the municipality has excess credits. If a prior round obligation remains unfulfilled the municipality shall address the prior round unfulfilled obligation in this Fourth Round Fair Share Plan. Units included as part of the municipality's unfulfilled prior round obligation shall not count towards the cap on units in the municipality's Fourth Round prospective need obligation. In addressing the status of the prior round projects, the municipality must demonstrate how any sites that were not built in the prior rounds continue to present a realistic opportunity.

As indicated, the three (3) projects that were implemented toward the Prior and Third Round RDP obligation were constructed and are occupied. In addition, the listing below provides the status update of the projects, programs and zoning mechanisms implemented to address the Prior and Third Round unmet need obligation.

- ✓ **Elizabeth Drive (Existing) – 4 special needs bedrooms**
- ✓ **Oceanport Manor (Existing) – 3 of 12 family rental**
- ✓ **Old Wharf Inclusionary Zoning- RMW Residential Multi-Family Waterfront District (Implemented)**
- ✓ **East Main Street Overlay Zoning (Implemented)**
- ✓ **Monmouth Park Racetrack Overlay Zoning**
- ✓ **Fort Monmouth (Existing Zoning, Approved, Completed or Occupied)**

**Officer Housing:** This project was approved and construction is completed. The development is for 116 dwelling units of which 16 dwelling units are family rental and 16 units are special needs bedrooms and are affordable to low- and moderate-income households.

**Lodging Area:** This 180-unit development includes 36 affordable housing units and construction is completed.

**Barker Circle:** This site is zoned for inclusionary housing which will yield a total of 75 dwelling units including 15 units for low- and moderate-income households.

**AcuteCare:** This 81-unit age-restricted development is completed and includes 17 affordable housing units.

**Nurses Quarters:** This site development was approved by the Planning Board and construction of the development is anticipated shortly. The project includes a total of 34 dwelling units including 7 units affordable to low- and moderate-income households.

The only project that requires an adjustment is the 400 Area located on the FMERA property. In 2022, FMERA entered into a Purchase and Sale and Redevelopment Agreement with Netflix, Inc. to provide for the redevelopment of 292 acres on Fort Monmouth, including the 400 Area, a development of a Motion Picture, Television and Broadcast Studio campus (the “Movie Studio”). FMERA subsequently adopted Plan Amendment #20 to the Fort Monmouth Reuse and Redevelopment Plan in 2024 permitting the development of the Movie Studio on Fort Monmouth, including the 400 Area. The State of New Jersey, FMERA, Fair Share Housing Center and the Borough have been working on substitute projects for the affordable units that would have been realized in the 400 Area. Below is a listing of the proposed projects that have had initial agreement and as part of this Fourth Round Plan will take the place of the previous 400 Area inclusionary development that was anticipated.

**400 Area:** The original zoning would have permitted 234 dwelling units for this area of FMERA of which 47 units will be affordable to low-and moderate-income households.

The alternative to the 400 Area as agreed to by FSHC in a draft settlement agreement includes a total credit of 55 units as follows:

- Lunch Break: 24 family rental units
  - This site will contain ten (10) two-bedroom units, ten (10) three-bedroom units, and four (4) four-bedroom units in a two-story building on the County leased property.
- Habitat: (3) two-family for-sale homes – 6 credits
- Habcorp: 25 supportive housing units with nine (9) set aside for veterans

### **The Fourth Round Compliance Process**

On March 20, 2024, Governor Murphy signed an amendment to the Fair Housing Act into law (“Amended FHA”) that created new procedures and laws. Pursuant to the Amended FHA, by January 31, 2025, municipalities must have adopted a “binding resolution”; and filed a declaratory relief lawsuit with the Court and “the Program” that includes the binding resolution within 48 hours from the adoption of the binding resolution. In addition, the municipality must publish the resolution on a publicly accessible internet website and the municipal website. In addition, the municipality must file a Housing Element and Fair Share Plan with the Court and Program by June 30, 2025, and comply with a series of other requirements.

The Borough took the necessary steps required by the Amended FHA by adopting the binding resolution and filing the declaratory relief action to establish the Fourth Round obligation. The Borough and the Planning Board will adopt, endorse and submit this Housing Element and Fair Share Plan with the Court and the Program prior to June 30, 2025 in order to comply with the Amended FHA deadline.

## **Consideration of Affordable Housing Options**

The Borough did not receive proposals from developers of affordable housing project to satisfy the Fourth Round prospective need obligation.

The Borough believes that the projects that exist and are proposed in this Fair Share Plan represent the best options for affordable housing in the Borough. The mechanisms within this Fourth Round Fair Share Plan satisfy the Borough's affordable housing obligation as adjusted through an updated Vacant Land Analysis. While the Borough recognizes that developers may, in the future, present sites that possess characteristics that could lend themselves to affordable housing development, additional sites are not needed to satisfy the obligation at this time.

## **Satisfaction of the Fourth Round Affordable Housing Obligation**

### ***Unmet Need Proposed: 61 units including a surplus of 171 total units provided***

The Court found that the Borough was entitled to adjust its new construction obligation to 33 based upon the lack of vacant developable land. Under COAH Third Round regulations, the Borough is entitled to rely on its prior vacant land adjustment. N.J.A.C. 5:97-5.1 (d). The Borough has implemented all the terms of the Judgment of Compliance for the RDP and therefore does not need to reevaluate the vacant land adjustment. Therefore, the Fourth Round RDP is zero (0). Since the Borough lacked sufficient land to satisfy its Prior and Third Round Obligation of 291, it obviously lacks sufficient land to satisfy the additional 61-unit obligation imposed in the Fourth Round. The Borough's continued entitlement to a vacant land adjustment for the 61-unit Fourth Round obligation is also assumed to be valid.

The remaining obligation is known as the Fourth Round Unmet Need through the following proposed and existing projects.

### ***JEMB Realty – Monmouth Park: 18 of 60-70 age-restricted rental units (proposed)***

JEMB is proposing an age-restricted rental community of 298 units including 60-70 units affordable units to very-low-, low- and moderate-income families. The developer is working with the New Jersey Sports and Exposition Authority (NJSEA) to develop the west side of Monmouth Park's parking lot which encompasses approximately 30 acres. While, the Borough does not have zoning powers over this property because it is owned by the State of New Jersey, the site is found to be suitable, developable, approvable and available in accordance with N.J.A.C. 5:93-1. The Borough is limited to a credit of 18 units towards of the unmet need obligation because the age-restricted cap is 30% of the unmet need obligation in accordance with the Amended FHA.

### ***Oceanport Gardens: 100 Special Needs Independent Living units (existing)***

Oceanport Urban Renewal Preservation, LLC acquired Block 121, Lot 5 (274-278 East Main Street) in 2019 and performed a full rehabilitation of the entire 101 unit complex that provides housing for individuals with disabilities. The property consists of a 6-story brick building with 90 one- and 11 two-

bedroom units, including 1 two-bedroom employee unit. The property sits on a 4.4-acre lot with off-street parking in the Village Center area of Oceanport.

Built in 1980, the property was in need of rehabilitation to preserve the units as quality affordable housing. Oceanport Urban Renewal Preservation, LP. (the "Applicant"), an affiliate of Related Affordable, LLC, worked with New Jersey Housing and Mortgage Finance Agency ("NJHMFA") to obtain financing to acquire and renovate the property to preserve an important affordable housing resource for the long term. In connection with the proposed rehabilitation, the developer entered into regulatory agreements with NJHMFA to maintain the affordability of the property for current and future residents.

The rehabilitation completed included façade repairs, roof replacement, concrete/paving repairs, additional site lighting, accessibility modifications, upgrades to common areas and renovation of all of the apartment units. The Borough and Oceanport Urban Renewal Preservation, LLC entered into a PILOT agreement in 2019 and the affordability controls on the units were extended for additional 30 years. The developer completed the rehabilitation and all rehabilitated units are now occupied.

## **PRESERVATION OF MULTIGENERATIONAL FAMILY CONTINUITY**

The 2024 FHA 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, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c. 273 (C.52:27D-329.20). 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. A review of the Borough's ordinance indicates that there are no ordinances that would specifically create a detraction from meeting the Commission's goal of enabling senior citizens to reside at the homes of their extended families. In fact, the Borough defines a family that is permitted to live in a single family dwelling in such a way that a senior citizen may live in that single family dwelling unit with their extended family which is a permitted use in the residential zoning districts. The Oceanport ordinances advance the multigenerational family continuity goal.

## **STATE DEVELOPMENT AND REDEVELOPMENT PLAN CONSISTENCY**

The Fourth Round Housing Element and Fair Share Plan is consistent with the 2001 State Development and Redevelopment Plan (SDRP) as the proposed project and existing special needs facility will provide for a substantial number of affordable housing units that actually exceed the Borough's prospective need obligation. Oceanport is designated as PA1, which is the Metropolitan Planning Area. Pursuant to the SDRP, PA1 is the preferred location for redevelopment for compact growth. The development of

affordable housing in PA1 is consistent with the overall State Development and Redevelopment Plan goal to direct redevelopment and growth into existing “centers” where infrastructure can support the development and support services such as open space, retail shopping, public transportation, schools are within walking distance. The Borough’s Fourth Round Plan is consistent with the 2001 SDRP and the proposed future SDRP amendment.

## **AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING**

Oceanport Borough adopted an Affordable Housing Ordinance in accordance with COAH’s substantive rules and UHAC. The Affordable Housing Ordinance governs the establishment of affordable units in the Borough as well as regulating the occupancy of such units. The Borough’s Affordable Housing Ordinance covers 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. The Borough will update the Affordable Housing Ordinance as needed and determined by the Program or Court.

The Borough also established the position of the Municipal Housing Liaison and appointed a staff member to the position. The Borough relies on their affordable housing administrator to conduct the administration and affirmative marketing of its affordable housing sites. The affirmative marketing plans are 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 Borough. Additionally, the affirmative marketing plan is intended to target those potentially eligible people who are least likely to apply for affordable units and who reside in the Borough’s housing region, Region 4, consisting of Monmouth, Mercer and Ocean counties.

The administrative agent, who is a consultant to the Borough, is responsible for the marketing, the setting of sale and rental prices for affordable units, income certification of applicants, creation of a waiting list of income certified applicants and the initial random selection process for new affordable housing units. The Borough’s Operating Manual, which describes the policies and procedures used to create affordable housing units and fill them with income-eligible families, is available on the Borough’s website.

The existing affirmative marketing plan includes regulations for qualifications 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. All newly created affordable units will comply with the 30-year affordability control required by UHAC, N.J.A.C. 5:80-26.5 and 5:80-26.11. 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.

## **AFFORDABLE HOUSING TRUST FUND**

A development fee ordinance was adopted to create a dedicated revenue source for affordable housing. The Borough may amend the development fee ordinance to limit the residential collection fee on new residential homes only and not include improvements over 50% of the increase in assessed value. An amended development fee ordinance will be submitted if the Borough decides to make that change.

The future updated Spending Plan will cover anticipated revenues, collection of revenues, and the use of revenues, which will be prepared in accordance with COAH's applicable substantive rules. All collected revenues will be placed in the Borough's Affordable Housing Trust fund and may be dispensed for the use of eligible affordable housing activities including, but not limited to:

- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls,
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Any other activity as specified in the approved spending plan.

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.

## **COST GENERATION**

The Borough's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards. The Borough will adopt, if needed, Planning Board rules for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.) and the

mandate of the FHA regarding unnecessary cost generating features. Oceanport Borough shall comply with COAH's requirements for unnecessary cost generating requirements, N.J.A.C. 5:93-10.1, procedures for development applications containing affordable housing, N.J.A.C. 5:93-10.4, and requirements for special studies and escrow accounts where an application contains affordable housing.