

**RESOLUTION NO. 68-2026**  
**BOROUGH OF SEA BRIGHT**  
**RESOLUTION APPROVING A FOURTH ROUND**  
**AFFORDABLE HOUSING TRUST FUND SPENDING PLAN**  
**AND REQUESTING COURT APPROVAL OF THE SPENDING PLAN**

Councilmember Leckstein offered the following resolution and moved for its adoption; seconded by Councilmember Bieber:

**WHEREAS**, the Borough of Sea Bright (hereinafter "Borough" or "Sea Bright") has an approved Development Fee Ordinance, which established standards for the collection, maintenance, and expenditure of development fees; and

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

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

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

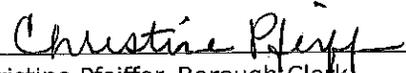
**NOW, THEREFORE, BE IT RESOLVED** by the Borough Council of the Borough of Sea Bright, County of Monmouth, State of New Jersey, hereby approves the Fourth Round Spending Plan that is attached hereto as Exhibit A, and requests that the Program and the Court review and approve the Borough's Fourth Round Spending Plan.

<b>Roll Call:</b>	Bieber,	Catalano,	Gorman,	Keeler,	Lamia,	Leckstein
	Yes	Yes	Yes	Absent	Absent	Yes

March 11, 2026

**CERTIFICATION**

I, Christine Pfeiffer, do hereby certify that the foregoing is a resolution adopted by the Borough Council of the Borough of Sea Bright, County of Monmouth, State of New Jersey, at a Council Meeting held on March 11, 2026.

  
Christine Pfeiffer, Borough Clerk

**BOROUGH OF SEA BRIGHT**  
**AFFORDABLE HOUSING TRUST FUND SPENDING PLAN**  
**FEBRUARY 2026**

The Borough has prepared a Fourth Round Housing Element and Fair Share Plan that advances a comprehensive strategy for meeting its regional share of affordable housing need in accordance with the intent of the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301), and in accordance with the procedural and substantive requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:91-1 et seq. The Borough has actively participated in the Fourth Round compliance process.

The Borough's existing development fee ordinances, codified as Chapter 130, Article XVIII of the Borough's General Legislation, most recently revised in 2019, will be updated and continue to require and regulate the collection of residential and non-residential development fees as revenue for the Borough's affordable housing trust fund. The sections below outline the Borough's plan for the administration and use of collected development fee revenues as per the requirements of N.J.A.C. 5:93-5.1(c).

**I. Projected Revenues through 2035**

A projection of anticipated revenues to be collected during the tenure of the Fourth Round has been calculated based on historical annualized trends in the amount of development fees collected to date.

As of January 1, 2025, the Borough had a balance of \$331,039.71 in the trust fund account. The current interest rate on the account is 5.11%. In 2024, Sea Bright expended \$5,659.86 from the account and generated \$145,511.02 in revenue through development fees and interest earned on the account. The development fees collected in 2024 totaled \$133,537.50. This figure provides a reasonable estimate for anticipated annual development fee revenue through 2035.

The Borough of Sea Bright projects a total of \$1,799,952.21 revenue and interest to be collected from 2025 to 2035. This projected amount, when added to the trust fund balance from January 1, 2025, results in an anticipated total revenue of \$2,119,763.68 available to fund and administer the Borough's affordable housing plan and programs. All interest earned on the account shall accrue to the account and be used only for the purposes of affordable housing. See the Projected Revenues Table, appended to the end of this Spending Plan.

**II. Administrative Mechanisms for Collecting and Distributing Revenues**

The Borough's existing Development Fee Ordinances are recorded in Chapter 130, Article XVIII -Affordable Housing-of Sea Bright's General Legislation. Procedures for collection,

administration, and distribution of development fees as affordable housing trust fund revenues are fully established in this section. The Borough's ordinance complies with P.L. 2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7).

The Development Fee Ordinance covers the following general topics:

1. Mandatory affordable housing set-aside;
2. Purpose of development fees;
3. Basic requirements;
4. Definitions;
5. Residential development fees;
6. Nonresidential development fees;
7. Collection procedures;
8. Appeal of development fees;
9. Affordable Housing Trust Fund;
10. Use of funds;
11. Monitoring; and
12. Ongoing collection of fees.

All development fees are deposited in a separate affordable housing trust fund held in an account at Valley National Bank. Per stipulations in the Affordable Housing Ordinance, the account and the record of distribution of funds is maintained by the Borough's Chief Financial Officer.

### **III. Anticipated Use of Trust Fund**

The expenditure of all funds shall conform to a spending plan approved by the court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the court to address the Borough's fair share obligation and may be set up as a grant of revolving loan program. Such activities shall include, but are not limited to:

1. Preservation or purchase of housing for the purpose of maintaining or implementing affordability controls;
2. Housing rehabilitation;
3. New construction of affordable housing units and related costs;
4. Accessory apartments; a market to affordable programs;
5. Market to affordable program;
6. Regional Housing Partnership programs;
7. Conversion of existing nonresidential buildings to create new affordable units;
8. Green building strategies designed to be cost saving and in accordance with accepted national or state standards;
9. Purchase of land for affordable housing;

10. Improvement of land to be used of affordable housing;
11. Extensions or improvements of roads and infrastructure to affordable housing sites;
12. Financial assistance designed to increase affordability;
13. Administration necessary for implementation of the Housing Plan and Fairshare Plan; and/or
14. Any other activity permitted by the court and specified in the approved spending plan.

#### **IV. Anticipated Use of Development Fees**

As per the Borough's ordinance, development fees shall be used for the sole purpose of providing low- and moderate-income housing. Funding mechanisms can be set up as a grant or revolving loan program to cover costs associated activities including, but not limited to, the following:

1. Preservation or purchase of housing for maintaining or implementing affordability controls;
2. Rehabilitation grants;
3. New construction of affordable housing units and related costs;
4. Implementing accessory apartment, market to affordable, or regional housing partnership programs;
5. Conversion of existing non-residential buildings to create new affordable units;
6. Green building strategies designed to be cost saving and in accordance with accepted national or State standards;
7. Purchase of land or improvement of land to be used for affordable housing;
8. Extensions or improvements of roads and infrastructure to affordable housing sites;
9. Financial assistance designed to increase affordability; and
10. Administration necessary for implementation of the Housing Element and Fair Share Plan.

##### **(A) Anticipated Rehabilitation**

As discussed in the Housing Element and Fair Share Plan, Sea Bright has a rehabilitation present need obligation of zero (0) units in the Fourth Round.

##### **(B) Affordability Assistance Requirement**

The Borough anticipates dedicating \$672,738.00 to its affordability assistance program.

As per the requirements of N.J.A.C. 5:93-8.16, at least thirty (30%) percent of all development fees and interest earned shall be used to provide low- and moderate-income households in affordable units with affordability assistance. One-third of the required affordability assistance shall specifically be used to provide affordability assistance to very low-income households (i.e. those households earning thirty percent or less of regional

median income).

The projected minimum affordability assistance requirement through 2035 is calculated as follows:

**Table 1. Minimum Affordability Assistance**

Trust fund balance as of 1/1/2025	\$ 331,039.71
Projected development fees plus interest, 2025- 2035	\$ 1,799,952.21
<b>PROJECTED TOTAL</b>	<b>\$ 2,119,763.68</b>
Projected minimum affordability assistance requirement (30%)	\$635,929.10
Projected minimum required for very low-income households (1/3 of total affordability assistance)	\$ 211,976.37

Affordability assistance programs may include down payment assistance; security deposit assistance; low interest loans; rental assistance; assistance with homeowner's association or condominium fees and special assessments; and assistance with emergency repairs.

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

### **(C) Administrative Expenses**

Sea Bright Borough may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan. Also in accordance with N.J.A.C. 5:93-8.16, to the extent that funds are available after funding the programs outlined above, the Borough can use up to twenty (20%) percent of all revenues collected from development fees 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, rehabilitation program, a Housing Element and Fair Share Plan, an affirmative marketing program, income qualification of households, monitoring the turnover of sale and rental units, and/or compliance with monitoring requirements.

The projected maximum administrative expenditures through 2035 is calculated as follows:

Table 2. Maximum Administrative Expenditures

Trust fund balance as of 1/1/2025	\$ 331,039.71
Projected development fees, 2025-2035	\$ 1,468,912.50
<b>PROJECTED TOTAL</b>	<b>\$ 1,799,952.21</b>
Projected maximum administrative expenditures (20%)	\$359,990.44

**V. Schedule for New or Rehabilitated Housing Units**

The schedule for new or rehabilitated housing units is documented by year in the Projected Expenditures table attached to this Spending Plan.

**VI. Expenditure Schedule**

The schedule for expenditures by year can be found in Table 3 attached to this Spending Plan.

**VII. Excess of Funds**

In the event that more funds than anticipated are collected, these excess funds will be used to fund additional rehabilitation and/or affordability assistance programs.

**VIII. Barrier Free Escrow**

Collection and distribution of barrier free funds shall be consistent with the Borough's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5. A process describing the collection and distribution procedures for barrier free escrow funds pursuant to N.J.A.C. 5:97-8.5 is detailed within the Affordable Housing Ordinance.

**IX. In Sum**

Sea Bright has prepared this Spending Plan in support of the implementation of its Fourth Round Housing Element and Fair Share plan, and in accordance with the administrative requirements of N.J.A.C. 5:93-1 et seq. The Spending Plan represents the Borough's intended use of development fee revenues that are collected in its Housing Trust Fund, illustrating how the Borough will use these funds to provide for its fair share of regional affordable housing need.

Table 3: Affordable Housing Trust Fund Fourth Round Spending Plan  
See Bright Borough, New Jersey

Projected Revenues for 2025 - 2035												
Funding Source	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
AHTF Balance as of 1/1/2025	\$ 331,039.71											\$ 331,039.71
Projected Development Fees	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 133,537.50	\$ 1,468,912.50
Payments in lieu of construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total account balance (5.11%)	\$ 18,942.40	\$ 20,968.68	\$ 22,994.95	\$ 25,021.22	\$ 27,047.50	\$ 29,073.77	\$ 31,100.04	\$ 33,126.32	\$ 35,152.59	\$ 37,178.86	\$ 39,205.14	\$ 319,811.47
<b>Total</b>	<b>\$ 482,519.61</b>	<b>\$ 154,506.18</b>	<b>\$ 156,532.45</b>	<b>\$ 158,558.72</b>	<b>\$ 160,585.00</b>	<b>\$ 162,611.27</b>	<b>\$ 164,637.54</b>	<b>\$ 166,663.82</b>	<b>\$ 168,690.09</b>	<b>\$ 170,716.36</b>	<b>\$ 172,742.64</b>	<b>\$ 2,119,763.68</b>
Projected Expenditures for 2025 - 2035												
Type	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Affordability Assistance	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 61,158.00	\$ 672,738.00
Administrative Costs	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 32,726.40	\$ 359,990.40
<b>Total</b>	<b>\$ 93,884.40</b>	<b>\$ 1,032,728.40</b>										
Projected Balance available for Future Projects and Programs												\$ 1,087,035.28