

**TOWNSHIP OF JEFFERSON  
COUNTY OF MORRIS, NJ**

**RESOLUTION #26-69**

**"RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF JEFFERSON,  
IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY  
ADOPTING FOURTH ROUND AFFORDABLE HOUSING SPENDING PLAN"**

**WHEREAS**, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 which amended various provisions of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq. ("Amended FHA"); and

**WHEREAS**, the Amended FHA sets forth that the Fourth Round period of affordable housing obligations shall run from July 1, 2025 through June 30, 2035 ("Fourth Round" or "Round Four"); and

**WHEREAS**, A municipality may not spend or commit to spend any affordable housing development fees, without first obtaining the approval of the expenditure as part of its compliance certification or by the New Jersey Department of Community Affairs (DCA); and

**WHEREAS**, the Township Council of the Township of Jefferson, County of Morris, State of New Jersey, adopted a development fee ordinance on August 26, 2024; and

**WHEREAS**, the development fee ordinance establishes an affordable housing trust fund that includes development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units, and/or any other funds collected for affordable housing purposes; and

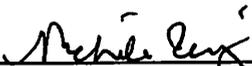
**WHEREAS**, the Township has prepared a 2026 Affordable Housing Trust Fund Spending Plan, dated January 15, 2026; and

**NOW THEREFORE, BE IT RESOLVED**, by the Township Council of the Township of Jefferson, Morris County, New Jersey, that the Township of Jefferson hereby adopts the 2026 Affordable Housing Trust Fund Spending Plan for the Township of Jefferson, dated January 15, 2026, prepared by J. Caldwell & Associates, LLC, which is attached hereto and incorporated herein.

This Resolution shall take effect immediately.

**ATTEST:**

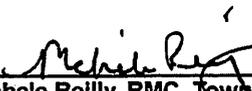
**COUNCIL OF THE TOWNSHIP OF JEFFERSON:**

  
 MICHELE REILLY, TOWNSHIP CLERK  
 Dated: February 11, 2026

  
 JOSH KALISH, COUNCIL PRESIDENT

NAME	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
Birmingham			X			
Schultz		X	X			
Senatore						X
Garruto	X		X			
Kalish			X			

**CERTIFICATION:** I, Michele Reilly, Clerk of the Township of Jefferson, County of Morris, State of New Jersey, do hereby certify the foregoing to be a true and exact copy of a resolution adopted by the Jefferson Township Council at a meeting held on February 11, 2026.

  
 Michele Reilly, RMC, Township Clerk

# **AFFORDABLE HOUSING TRUST FUND SPENDING PLAN**

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## **TOWNSHIP OF JEFFERSON MORRIS COUNTY, NEW JERSEY**

January 15, 2026

Prepared by: Jessica C. Caldwell, P.P., A.I.C.P.  
NJPP License #5944

## SPENDING PLAN

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### INTRODUCTION

Jefferson Township, Morris County, has prepared a Fourth Round Housing Element and Fair Share plan that addresses its regional fair share of the present and prospective affordable housing need in accordance with the Municipal Land Use Law (MLUL), the Fair Housing Act (FHA), the regulations of the Council on Affordable Housing (COAH) and recent decisions by the Courts.

A development fee ordinance creating a dedicated revenue source for affordable housing, following state guidelines, was adopted on May 2, 2001, which was replaced by a new development ordinance on December 4, 2024. The ordinance established a fee of 1.5% of equalized assessed value for new residential construction and 2.5% for new commercial construction. The original ordinance established the need for a Township of Jefferson Affordable Housing Trust Fund. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by affordable housing fees are deposited in a separate-interest-bearing affordable housing trust fund account for the purposes of affordable housing.

Jefferson Township has prepared this Spending Plan (2026) to guide the allocation of funds within the Township of Jefferson Affordable Housing Trust Fund. As of December 31, 2025, the Township of Jefferson has \$125,786 in its Affordable Housing Trust Fund. The funds shall be spent in accordance N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

## **REVENUES FOR CERTIFICATION PERIOD**

To calculate a projection of revenue anticipated during the period of Fourth Round substantive certification, Jefferson Township considered the following:

- (a) Development fees:
  - 1. Nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
  - 2. All nonresidential projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
  - 3. Future development that is likely to occur based on historical rates of development.
  
- (b) Payments in Lieu (PIL): Payments in Lieu of development into the Township's Housing Trust are permitted in limited cases pursuant to Section 193 of Jefferson Township Code.
  
- (c) Other funding sources: The Township reserves the option to pursue various public funding options to support its municipal rehabilitation program.
  
- (d) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate is 1% based on prevailing interest rates for savings accounts.

**Projected Revenue Schedule, 2026-2035**  
**Township of Jefferson Affordable Housing Trust Fund**

Source of Funds	Up to 12/31/2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
(a) Development Fees	125,786											\$125,786
1. Approved Residential and Nonresidential Development Projects	NA	\$2,500	\$2,500	\$2,500								\$7,500
2. Projected Residential Development Projects Only	NA	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$100,000
3. Projected Non-Residential Development Projects (New construction only)	NA	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$100,000
(b) Payments in lieu of Construction		\$49,631 <sup>1</sup>										\$49,631
(c) Other Funds (specify source)	NA											
<b>Subtotal</b>												\$382,917
(d) Interest	NA	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$10,000
<b>Total Revenue from Development Fees</b>												\$392,917

Jefferson Township projects a total of **\$382,917** to be collected between January 1, 2026 and December 31, 2035 for residential and non-residential new construction. In addition to the existing funds in the account, the Spending Plan addresses the spending of **\$392,917**. Projections are based on projected development as it relates to permits issued within the Township over the last five years and revenues generated by the fund over the last six years.

<sup>1</sup> The payment in lieu is from the Heller's Lane Redevelopment Project. A total fee of \$99,262.86 was assessed for the project. Half was paid on December 4, 2024 and the other half will be paid when the project receives a C.O.

### **ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS**

Jefferson Township will follow the process for the collection and distribution of development fee revenues detailed below.

- (a) Collection of development fee revenues: Jefferson Township will collect development fee revenues in a manner that is consistent with the Township 's development fee ordinance for both residential and nonresidential development and in accordance with applicable regulations.
- (b) Distribution of development fee revenues: Jefferson Township will distribute funds with the oversight of the Township Council. The Council will work with the Township Administrator and the Municipal Housing Liaison to manage the projects outlined in this spending plan.

### **DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS**

Jefferson Township proposes to use the monies in its Affordable Housing Trust Fund for the following purposes:

- (a) **Rehabilitation Projects (N.J.A.C. 5:97-6.2):** Jefferson Township will dedicate the following funds to Rehabilitation projects in order to meet its fair share affordable unit obligation: **Township Rehabilitation Program: At least \$10,000 per unit for up to 24 units for a budget of \$235,000.**

#### **Morris County Rehabilitation Program:**

- **Additional funding for rehabilitation units will be sought through the Morris County Community Development Rehabilitation Program and other available public funding sources to fund up to 46 additional rehabilitation units.**
- (b) **Administrative Expenses (N.J.A.C. 5:97-8.9)** Jefferson Township will dedicate no more than 20 percent of revenue (less interest) from the affordable housing trust fund to be used for administrative purposes. **The current budget for administrative expenses is \$40,000, subject to the 20 percent cap are as follows:**
    - Administration of affordable housing programs;
    - Legal fees associated with affordable housing administration;
    - Planning fees for any necessary updates and/or revision to the Housing Element and Fair Share Plan; and
    - Other expenses associated with the development and implementation of the Housing and Fair Share Plan and the monitoring of current and future affordable housing programs within Jefferson.

- (c) **Affordability Assistance (N.J.A.C. 5:97-6.7):** Jefferson Township will dedicate funds to affordability assistance. The budgeted amount is 30% of the projected total fund or **\$117,917**, depending on funds available at the time of the development. Additionally, at least 30% of these funds will be dedicated to assisting very low-income households.
- (d) **Excess Funds:** Any excess funds will be dedicated to rehabilitation of eligible housing units within the Township, transitional housing, group homes, 100 Percent Affordable /Market to Affordable Housing Projects or additional rehabilitation projects based on need. Funds will be spent on these projects if additional funding is collected.



**SUMMARY**

Jefferson Township intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the affordable housing programs outlined in the Township's Housing Element and Fair Share Plan.

**Spending Plan Summary  
Jefferson Township Affordable Housing Trust Fund**

<b>Trust fund balance as of 12/31/2025</b>	<b>\$125,786</b>
<b>Projected Revenue (2026-2035)</b>	
Development fees	<b>\$207,500</b>
Payments in lieu of construction	<b>\$49,631</b>
Other funds	
Interest	<b>\$10,000</b>
<b>Total Revenue (Rounded)</b>	<b>\$392,917</b>
<b>Expenditures</b>	
Rehabilitation	<b>\$235,000</b>
Affordability Assistance	<b>\$117,917</b>
Administration	<b>\$40,000</b>
Excess Funds	
<b>Total Projected Expenditures</b>	<b>\$392,917</b>