

## **FOURTH ROUND**

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

BOROUGH OF POINT PLEASANT | OCEAN COUNTY, NEW JERSEY

MAY 2025



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

ADOPTED BY THE PLANNING BOARD: JUNE 26, 2025

ENDORSED BY THE MAYOR & COUNCIL:

PREPARED BY:

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NEW JERSEY PROFESSIONAL PLANNER LICENSE #5537

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

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## TABLE OF CONTENTS

Introduction & Executive Summary .....	1
The Housing Element and Fair Share Plan .....	1
Affordability Requirements .....	2
Present and Prospective Need Obligation.....	4
Fair Share Plan.....	7
Preservation of Multigenerational Family Continuity .....	9
State Development and Redevelopment Plan Consistency.....	10
Affordable Housing Administration & Affirmative Marketing.....	10
Affordable Housing Trust Fund .....	11
Cost Generation .....	12

## APPENDICES

- A. Demographic, Economic and Housing Data  
    Report
- B. Overlay Zone Mapping
- C. Overlay Zone Ordinance
- D. Draft Spending Plan
- E. Resolutions
- F. Rehabilitation Program Information

## **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 Point Pleasant 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 Fair Housing Act (as amended) 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; and
- 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. Point Pleasant 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.

The regional median income 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 Point Pleasant. See Table 1 for 2024 income limits for Region 4.

<b>Table 1: 2024 Income Limits for Region 4</b>					
<b>Household Income Levels</b>	<b>1-Person Household</b>	<b>2-Person Household</b>	<b>3-Person Household</b>	<b>4-Person Household</b>	<b>5-Person Household</b>
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
<i>Source: 2024 Income Limits prepared by Affordable Housing Professionals of New Jersey.</i>					

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.

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



<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 (FHA), the NJ State Department of Community Affairs (DCA) was required to calculate the 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 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): 41 units. The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units, based on 2020 US Census data, existing in Point Pleasant Borough occupied by low- and moderate-income households.
- Prospective Need: 93 units. The prospective need obligation can be defined as the cumulative July 1, 2025, through June 30, 2035, new construction affordable housing obligation.

## **Rehabilitation (Present Need) Obligation**

Point Pleasant Borough's rehabilitation obligation (present need) is 41 units. The rehabilitation obligation is not cumulative but is a recalculation based on the most recent census data. As such, the Borough is addressing the 41-unit rehabilitation obligation through a municipally run rehabilitation program. However, the Borough may adjust the rehabilitation obligation based upon the findings of a Structural Conditions Survey in accordance with N.J.A.C. 5:93-5.2(a) and Appendix C. The Borough Construction Official performed a visual inspection of residential structures to determine the number of homes that are actually in fair or poor condition. The results of the survey, which is included in the Appendix, indicate that six (6) homes are in fair or poor condition. Therefore the rehabilitation obligation is adjusted from 41 to six (6) units.

The Borough will create a Borough Rehabilitation Program to provide funding to income-eligible homeowners and/or landlords to repair major systems in their home or rental property. The Borough will also continue to participate in the Ocean County Rehabilitation Program, to the extent that one exists, to identify units in need of rehabilitation and assist income qualified homeowners with funding for the repair of their homes. The Rehabilitation Manual will be created and adopted once the Borough hires an administrative agent to oversee the program.

All rehabilitated units will comply with the definition of a substandard unit in N.J.A.C. 5:93-5.2(b), which states, "a unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, roofing, plumbing, heating, electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units shall meet the applicable construction code. Additionally, all rehabilitated units shall be occupied by very-low, low- or moderate-income households and subject to 10-year affordability controls, which shall be placed on the property in the form of a lien or deed restriction. The average hard cost for the rehabilitation of a major system will be at least \$10,000.

## **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 Point Pleasant 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: 2 units
- Unmet Need: 777 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 Ocean County Superior Court for the Prior and Third round adjusted obligation on April 10, 2017. 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 project that addressed the Prior and Third Round RDP obligation:

Satisfaction of the Prior and Third Round 2 Total Unit RDP					
Program	Unit Type	Status	Units	Bonus Credits	Total Credits
Sea Point Village	Inclusionary Family Rental	Occupied	3	1	4

The Sea Point Village project is completed and occupied and provided two (2) credits toward the Unmet Need obligation of 777 units. 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 777 units, it obviously lacks sufficient land

to satisfy the additional 93-unit obligation imposed in the Fourth Round. The Borough's continued entitlement to a vacant land adjustment for the 93-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 93 units and with a zero (0) RDP, the full prospective need obligation is the 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 meaningful zoning on parcels it believes are likely to redevelop over the next ten (10) years to address a minimum of 23 units of unmet need ( $93 \times 0.25 = 23$ ).

## **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. 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.

The only project that addressed the Prior/Third Round two (2) unit RDP obligation is occupied. The Borough adopted the Affordable Housing Overlay (AH) Zoning District for properties abutting Route 88 and at properties at the intersection of Route 88 and Bridge Avenue permitting inclusionary development at a density of six (6) dwelling units per acre and on a few parcels at a density of eight (8) dwelling units per acre. It should be noted that the Borough also approved a settlement agreement in 2023 with a property owner that owned a site that was in the AH overlay zoning district, Block 45, Lot 1. The settlement agreement led to an increased permitted density for an inclusionary development of approximately 17 dwelling units per acre allowing for no more than 28 residential units on the property. The project will yield a minimum of three (3) affordable housing units. Additionally, the Borough approved, prior to the implementation of the mandatory setaside ordinance, a six (6) unit townhouse inclusionary project in 2017 yielding one (1) affordable housing unit. Finally, the Borough Zoning Board of Adjustment approved a multi-family project on Block 133, Lot 50 & 51 (629 Ocean Road) to permit 15 dwelling units of which three (3) will be deed restricted for low- and moderate-income families at a density of 14.4 dwelling units per acre. The affordable housing units realized in these recent approvals satisfy a

portion of the Prior and Third Round Unmet Need. The Borough does not have an unfulfilled obligation from the Prior Rounds.

### **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 adopt a “binding resolution”; and file 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 projects to satisfy the Fourth Round prospective need obligation.

The Borough believes that the projects that exist and the overlay zoning 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. 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. Additionally, the Borough may consider appropriate sites or projects in the future for an inclusionary or 100% affordable housing project. The progressive efforts of this community to provide affordable housing within the bounds of sound planning provide a solid basis for the consideration of responsible proposals.

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

***Unmet Need: 23 units (25% of 93 units)***

***Unmet Need Proposed: units***

The Court found that the Borough was entitled to adjust its new construction obligation to two (2) units 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 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 777, it obviously lacks sufficient land to satisfy the additional 93-unit obligation imposed in the Fourth Round. The Borough's continued entitlement to a vacant land adjustment for the 93-unit Fourth Round obligation is also assumed to be valid.

The remaining obligation is known as the Fourth Round Unmet Need and will be addressed through an increase in density over a portion of the existing inclusionary overlay district that was established in the Prior and Third Round Fair Share Plan. An overlay zone is a zoning option that allows an applicant to develop at higher densities for residential development provided they set aside at least 20% of the units as affordable housing available to low-and moderate-income households. This type of zoning is known as inclusionary zoning. The proposed ordinance amendments are included in the appendix and represent meaningful zoning options for future affordable housing opportunities.

#### ***AH-1 Overlay Ordinance: 26 AH units***

The proposed AH-1 overlay zoning district is over 18 acres and covers 15 acres of the existing AH overlay zoning district. The existing AH overlay zoning district within the subject area has an existing permitted maximum density of six (6) dwelling units. The proposed AH-1 overlay zoning district will permit a maximum density of twelve (12) units per acre mixed use, townhouse, or multi-family uses and requires a 20% setaside for affordable housing units for inclusionary housing projects that take advantage of the overlay zoning option. The proposed AH-1 overlay ordinance will apply to the following parcels and will yield a potential total of 26 additional affordable housing units.

- Block 93, Lot 1
- Block 94, Lot 2
- Block 95, Lots 1 & 2
- Block 96, Lot 1
- Block 97, Lot 36 & 39.01
- Block 211, Lot 1, 2 & 3
- Block 213, Lot 1
- Block 349, Lots 3.03 & 5

### **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 Point Pleasant 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) and draft SDRP as the proposed increased densities within the existing overlay zone will provide for a meaningful opportunity for the construction of affordable housing. Point Pleasant is designated as PA2, which is the Suburban Planning Area. Pursuant to the SDRP, PA2 is the preferred location for redevelopment for compact growth. The development of affordable housing in PA2 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 proposed overlay zone is located in the PA2. The Borough’s Fourth Round Plan is consistent with the 2001 SDRP.

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

Point Pleasant 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 Borough will continue to rely on the Affirmative Marketing

Plan adopted in the Third Round and will update it as required by new permanently adopted Uniform Housing Affordability Controls provided by the Department of Community Affairs.

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 future 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. Point Pleasant 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.