

**TOWNSHIP OF HOPE, COUNTY OF WARREN, AND STATE OF NEW JERSEY**  
**RESOLUTION ADOPTING THE AFFORDABLE HOUSING TRUST FUND SPENDING**  
**PLAN DATED MARCH 2026**

**RESOLUTION 2026-27**

**WHEREAS**, on January 22, 2025, Hope Township (“Township”) adopted Resolution 2025-20, which established the Township’s Fourth Round present and prospective need obligations pursuant to the amended Fair Housing Act (“FHS”) at N.J.S.A. 52:27D-301 et. seq., per P.L. 2024, c.2; and

**WHEREAS**, on January 23, 2025, the Township filed a Declaratory Judgment Action (“DJ Action”) in the New Jersey Superior Court captioned In the Matter of the Township of Hope, WRN-L- 36-25, seeking among other things, compliance certifications; and

**WHEREAS**, on March 25, 2025, the Court entered an Order fixing the Township’s Fourth Round present need obligation as zero (0) and prospective need obligation as thirty-one (31); and

**WHEREAS**, the Township of Hope’s Land Use Board (“LUB”) held a public hearing and voted to adopt the Township’s Fourth Round Housing Element and Fair Share Plan (“Fourth HEFSP”), addressing the Township’s prior round obligations, Third Round Obligations and Fourth Round obligations as established; and

**WHEREAS**, the Township of Hope’s Land Use Board (“LUB”) held a public hearing and voted to adopt the Township’s amended Fourth Round Housing Element and Fair Share plan dated February 2026 (“Amended Fourth HEFSP”); and

**WHEREAS**, pursuant to the Amended FHA, a municipality may not spend or commit to spend any affordable housing development fees collected and deposited into the municipal affordable housing trust fund, without first obtaining the approval of the expenditure as part of its compliance certification; and

**WHEREAS**, the Amended Affordable Housing Trust Fund Spending Plan dated May 2025, was previously adopted and endorsed as part of the Fourth Round Housing Element and Fair Share Plan; and

**WHEREAS**, the Township now seeks to amend the Amended Affordable Housing Trust Fund Spending Plan dated May 2025, by adoption of the Affordable Housing Trust Fund Fourth Round Spending Plan dated March 2026, which complies with the new N.J.A.C. 5:99 rules, and outlines how the municipality intends to allocate development fees and other funds, and how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low-income affordability assistance;

**NOW, THEREOFRE**, be it resolved on this 11th day of March 2026, that the Township of Hope, County of Warren and State of New Jersey, hereby adopts the Affordable Housing Trust Fund Fourth Round Spending Plan dated March 2026.

Motion to Adopt: Mr. Urfer Second: Mayor McDonough

Roll Call: Mr. Kruk – Absent Mr. Urfer – Yes Mayor McDonough - Yes

CERTIFICATION

I, Robin Keggan, Municipal Clerk of the Township of Hope, County of Warren, do hereby certify the foregoing is a true and correct copy of a Resolution adopted at a regular meeting of the Township Committee on March 11, 2026.



Robin Keggan, Municipal Clerk  
Township of Hope

**Township of Hope**  
**Affordable Housing Trust Fund**  
**Fourth Round Spending Plan**

March 2026

Adopted by the Township Committee on March 11, 2026

Township of Hope  
Warren County, New Jersey

Prepared By:



**Heyer, Gruel & Associates**  
Community Planning Consultants  
236 Broad Street, Red Bank, NJ 07701  
(732) 741-2900

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## **INTRODUCTION**

A Development Fee Ordinance creating a dedicated revenue source for affordable housing was adopted by Hope Township on January 20, 2006 and approved by COAH on May 1, 2007. This Development Fee Ordinance was subsequently amended on February 20, 2018 via Ordinance No. 2018-02 (see Appendix A).

The 2018 development fee ordinance established standards for the collection, maintenance, and expenditure of development fees consistent with: (a) COAH rules; (b) P.L.2008, c.46, Sections 8 and 32-38 (C.52:27D-329.1 et al.); and (c) the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). All development fees, payments in lieu of constructing affordable units on site, and any other source of income are deposited into this separate affordable housing trust fund for the sole purpose of providing affordable housing.

As of June 30, 2025, the Affordable Housing Trust Fund established by the Township had a balance of \$26,270.17. All development fees and interest generated by the fees are deposited in this separate, interest-bearing affordable housing trust fund for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99, or applicable regulations, as described in the sections that follow.

## Hope Township Spending Plan – March 2026

**1. REVENUES FOR CERTIFICATION PERIOD**

To calculate a projection of revenue anticipated during the period of the Third Round, the Township of Hope considered the following:

**(a) Development fees**

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the land use board 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) Projected interest**

1. Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

**(c) Projected Revenues**

To calculate the projection of revenue anticipated from the general development fees, previous transactions within the Affordable Housing Trust Fund dating back to the inception of the Affordable Housing Trust Fund (2021) were reviewed. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. Projected revenues through 2035 are outlined in Table 1 below.

<b>TABLE 1: PROJECTED REVENUES</b>				
<b>Year</b>	<b>Source of Funds</b>			
	<b>Historical Balance (as of 6/30/2025)</b>	<b>(a) Projected Development Fees</b>	<b>(c) Projected Interest</b>	<b>Total</b>
Current Balance	\$26,270.17	--	--	\$26,270.17
2025	--	\$3,010.08	\$13.55	\$3,023.63
2026	--	\$6,020.15	\$27.09	\$6,047.24
2027	--	\$6,020.15	\$27.09	\$6,047.24
2028	--	\$6,020.15	\$27.09	\$6,047.24
2029	--	\$6,020.15	\$27.09	\$6,047.24
2030	--	\$6,020.15	\$27.09	\$6,047.24
2031	--	\$6,020.15	\$27.09	\$6,047.24
2032	--	\$6,020.15	\$27.09	\$6,047.24
2033	--	\$6,020.15	\$27.09	\$6,047.24
2034	--	\$6,020.15	\$27.09	\$6,047.24
2035	--	\$3,010.08	\$13.55	\$3,023.63
<b>TOTAL</b>	\$26,270.17	<b>\$60,201.51</b>	<b>\$270.91</b>	<b>\$86,742.59</b>

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The Township projects a total of \$60,201.51 in development fees will be collected between July 1, 2025 and June 30, 2035. An additional \$270.91 in interest is projected to be earned. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing. In conjunction with the existing Trust Fund balance of \$26,270.17, the Township projects total Trust fund revenues and interest of \$86,742.59 through June 30, 2035.

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

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Hope:

### **(a) Collection of development fee revenues**

Collection of development fee revenues shall be consistent with Hope's development fee ordinance for both residential and non-residential developments and in accordance with the Statewide Nonresidential Development Fee Act, N.J.S.A. 40:55D8.1 through 8.7 ("SNDFA").

### **(b) Distribution of development fee revenues**

The Municipal Housing Liaison will manage the projects outlined in this Spending Plan and the Housing Element and Fair Share Plan and will coordinate with the Township's CFO/Deputy CFO for the distribution of the funds.

### **(c) Collection and distribution of barrier free funds**

Collection and distribution of barrier free funds shall be consistent in accordance with applicable regulations.

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

The following represent the anticipated affordable housing projects within the Township of Hope that will utilize Trust Fund monies.

### **(a) Affordability Assistance**

As per the requirements regarding the use of funds for affordability assistance laid out in N.J.A.C. 5:99-2.5, the Township is required to set aside a portion of all development fees collected and interest earned to provide affordability assistance to very low-, low-, and moderate-income households. The Township will set aside 30% for this purpose for the Fourth Round.

The calculation of available affordability assistance funds is performed by considering the lifetime of the Trust Fund. To project the funding amount that is dedicated to affordability assistance, all actual expenditures spent on new construction activities as well as any rehabilitation activities from the inception of the fund are subtracted from the sum of the actual and projected development fees and interest. That

## Hope Township Spending Plan – March 2026

total is multiplied by 30% to determine the affordability assistance requirement. The actual affordability assistance expenditures from the inception of the fund are then subtracted from the overall 30% requirement. This final outcome is the total remaining funds that will be dedicated to affordability assistance for the period moving forward.

As of June 30, 2025, Hope Township had a balance of \$26,270.17 in its Affordable Housing Trust Fund. The Township projects an additional \$60,210.51 in development fees and \$270.91 in interest through 2035.

<b>TABLE 2: AFFORDABILITY ASSISTANCE</b>		
Actual Development Fees and Interest Earned through June 30, 2025		\$26,270.17
Projected Development fees 2025-2035	+	\$60,201.51
Projected Trust Fund Interest 2025-2035	+	\$270.91
Less Housing Activity through June 30, 2025	-	\$0.00
<b>Total</b>	=	\$86,742.59
30% Set Aside	x 0.30 =	\$26,022.78
Less Affordability Assistance Expenditures through June 30, 2025	-	\$0.00
<b>Projected Affordability Assistance through June 30, 2035</b>	=	<b>\$26,022.78</b>

The Township will dedicate \$26,022.78 from the Affordable Housing Trust Fund to render units more affordable. These funds will be utilized for the following affordability assistance purposes:

- For-Sale units in the form of down-payment loan assistance, payment of closing costs, and payment of lender fees.
- For-rent units in the form of moving expense assistance, first month's rent subsidy, utility deposit assistance, and security deposit assistance (available to very-low income households only).

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**(b) Administrative Expenses**

No more than 20% of revenues collected from development fees shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop and implement: a Housing Element and Fair Share Plan or any amendment thereto; a rehabilitation program; a new construction program; and an affirmative marketing program. Administrative funds may also be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with monitoring requirements.

The calculation of allowable administrative expenses is performed by considering the lifetime of the Trust Fund. To project the funding amount that will be available for administrative costs, the sum of all development fees actually collected and all interest earned since the inception of the account will be added to the sum of all projected development fees and interest projected to be collected throughout the Fourth Round. From this amount, any Regional Contribution Agreement (RCA) expenditures made or contractually obligated from the inception of the account are subtracted. This final amount is multiplied by 20% and then any actual administrative expenditures made since the inception of the Trust Fund are subtracted out. The final outcome of this calculation, as depicted in the following table, is the total remaining funds that will be available for administrative expenses through the end of the Fourth Round.

As of June 30, 2025, The Township had a balance of \$26,270.17 in the Affordable Housing Trust Fund. The Township projects an additional \$60,201.51 in development fees and \$270.91 in interest through 2035. The Township has never taken part in an RCA. Hope Township has spent \$5,221.00 on administrative expenses in the time period between the inception of the Trust Fund and June 30, 2025.

<b>TABLE 3: ADMINISTRATIVE EXPENSES</b>		
Actual Development Fees and Interest Earned through June 30, 2025		\$26,270.17
Projected Development Fees 2025-2035	+	\$60,201.51
Projected Interest 2025-2035	+	\$270.91
RCA Contributions	+	\$0.00
<b>Total</b>	=	<b>\$86,742.59</b>
20% Maximum Permitted on Administrative Expenses through June 30, 2035	x 0.20 =	\$17,348.52
Less Administrative Expenditures through June 30, 2025	-	\$5,221.00
<b>Projected Allowed Administrative Expenditures</b>	=	<b>\$12,127.52</b>

The Township projects that a maximum of \$12,127.52 is available from the Affordable Housing Trust Fund for administrative expenses for the Fourth Round. Because the actual administrative expense maximum is calculated on an ongoing basis based on actual revenues, the Township shall be permitted to spend 20% of the actual balance at any given time on administrative fees. Money becomes available for administrative expenses as additional income is collected.

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Projected administrative expenditures, subject to the 20% cap, included but are not limited to:

- Administration and expenses associated with the Township’s affordable housing units;
- Expenses associated with the preparation and implementation of the Housing and Fair Share Plan and monitoring of the current and future housing programs for the Township of Hope;
- Affirmative marketing; and
- Income qualification.

Legal or other fees related to litigation opposing affordable housing sites are not eligible uses of the affordable housing Trust Fund.

**(c) Accessory Apartment Program**

In conformance with Ordinance 2018-02, for every accessory apartment created either within an existing home, through the conversion of an existing accessory structure on the same site, or created as an addition to an existing home, Hope Township will dispense \$10,000.00 from the Affordable Housing Trust Fund to assist in the creation. This initiative is contingent on whether the water and sewer infrastructure needed to support an additional unit becomes available. Affordability controls shall remain in effect for at least 30 years. The Township will set aside the remaining \$48,592.29 of funds in the Affordable Housing Trust Fund for this purpose for the Fourth Round.

**4. EXPENDITURE SCHEDULE**

Year	Program			Total
	Affordability Assistance	Administration	Accessory Apartment Program	
2025	\$1,301.14	\$1,500.01	\$2,429.61	\$5,230.76
2026	\$2,602.28	\$1,500.01	\$4,859.23	\$8,961.52
2027	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2028	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2029	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2030	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2031	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2032	\$2,602.28	\$921.25	\$4,859.23	\$8,382.76
2033	\$2,602.28	\$1,200.00	\$4,859.23	\$8,661.51
2034	\$2,602.28	\$1,200.00	\$4,859.23	\$8,661.51
2035	\$1,301.14	\$1,200.00	\$2,429.61	\$4,930.75
<b>TOTAL</b>	<b>\$26,022.78</b>	<b>\$12,127.52</b>	<b>\$48,592.29</b>	<b>\$86,742.59</b>

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## 5. EXCESS OR SHORTFALL OF FUNDS

In the event funding sources as identified within this Spending Plan for the projects detailed in the Housing Element and Fair Share Plan prove inadequate to complete the affordable housing programs, the Township shall provide sufficient funding to address any shortfalls through bonding in accordance with State regulations and law.

In the event that more funds than anticipated are collected or projected funds exceed the amount necessary to implement the Township's affordable housing projects, these excess funds will be used to fund eligible affordable housing activity pursuant to applicable rules and regulations.

### **SUMMARY**

As of June 30, 2025, the Township's Affordable Housing Trust Fund had a balance of \$26,270.17. Hope Township anticipates an additional \$60,472.42 in revenues and interest by June 30, 2035, resulting in a projected balance of \$86,742.59 for the Fourth Round. The Township will commit \$26,022.78 for affordability assistance efforts, \$12,127.52 for administrative expenses, and \$48,592.29 for its accessory apartment program.

<b>TABLE 5: SPENDING PLAN SUMMARY</b>	
Balance as of June 30, 2025	\$26,270.17
<b>Projected Revenue July 1, 2025 through June 30, 2035</b>	
Development fees	+ \$60,201.51
Interest	+ \$270.91
<b>TOTAL REVENUE + CURRENT BALANCE</b>	<b>= \$86,742.59</b>
<b>Projected Expenditures July 1, 2025 through June 30, 2035</b>	
Affordability Assistance	- \$26,022.78
Administration	- \$12,127.52
Accessory Apartment Program	- \$48,592.29
Excess Funds for Additional Housing Activity	= \$0.00
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>= \$86,742.59</b>
<b>REMAINING BALANCE</b>	<b>= \$0.00</b>