

**Master Plan Amendment
Housing Plan Element and Fair Share Plan
Round 4**

Plan Amendments

**Borough of Fanwood
Union County, New Jersey**

Originally Adopted: June 25, 2025

Amendments to Plan Prepared: February 6, 2026

Prepared for: Borough of Fanwood Planning Board

Prepared by:



T&M Associates
11 Tindall Road
Middletown, NJ 07748

Caroline Reiter

Caroline Z. Reiter, PP, AICP
NJ Professional Planner: 33LI00534300

Dare RE

Robert E. Dare, PP, AICP
NJ Professional Planner: 33LI00596400

Amendments Adopted on February 25, 2026 by the Fanwood Planning Board.
Amendments Endorsed on _____, 2026 by the Fanwood Borough Council.

The original of this document has been signed and sealed in accordance with Law.

FANWOOD BOROUGH

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Gina Berry, Council President
Erin McElroy Barker, Councilwoman
Katherine Mitchell, Councilwoman
Anthony Carter, Councilman
Patricia Walsh, Councilwoman
Jeffrey Banks, Councilwoman

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Robert Brennan, Class IV
Adam Matty, Class IV
Whitney Chelnik, Class IV
Paul Marder, Class IV — Alternate 1
Tom Rozycki — Alternate 2
Richard Birch, Class IV — Alternate 3

Patricia Hoynes, Recording Secretary
Diane Dabulas, Esq., Attorney
Antonios Panagopoulos, PE, Engineer
Caroline Reiter, PP, AICP, Planner

Public Officials

Jesse Moehlman, Borough Administrator
Courtney Agnello, Borough Clerk
Patricia Celardo, Chief Financial Officer
Russell Huegel, Esq., Borough Attorney
Raymond Sullivan, Municipal Land Use Official

EXECUTIVE SUMMARY

The Borough of Fanwood Planning Board (FPB) adopted the Round 4 Housing Element and Fair Share Plan (HE&FSP) on June 25, 2025. The Borough's HE&FSP was subsequently endorsed by the Fanwood Borough Council (FBC) on June 30, 2025.

On August 29, 2025, the Fair Share Housing Center (FSHC) filed an objection to the Borough of Fanwood's adopted Round 4 HE&FSP. However, the Borough and the FSHC reached a settlement and Mediation Agreement was signed by both parties in January 2026.

As a result of the Mediation Agreement, the Borough is required to amend certain aspects of its Fair Share Plan (FSP). The current document contains the necessary amendments to the Borough's FSP and associated appendices. Please note that this document supplements and does not replace the Round 4 HE&FSP as adopted by the FPB on June 25, 2025, and subsequently endorsed by the FBC on June 30, 2025.

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Plan Amendments

The following subsections contain amendments to the Borough of Fanwood's Round 4 Housing Element and Fair Share Plan (HE&FSP), which was adopted by the Fanwood Planning Board on June 25, 2025, and subsequently endorsed by the Fanwood Borough Council on June 30, 2025.

The amendments are described as follows:

- **Round 4 Prospective Need**
 - *This section completely replaces “Round 4 Prospective Need” which is located on pages 29 through 31 of the adopted and endorsed Round 4 HE&FSP. The purpose of this amendment is to achieve conformance with a Mediation Agreement between the Borough and the Fair Share Housing Center (FSHC).*
- **Consistency with the State Development and Redevelopment Plan**
 - *This section completely replaces “Consistency with the State Development and Redevelopment Plan” which is located on pages 32 through 34 of the adopted and endorsed Round 4 HE&FSP. The purpose of this amendment is to properly reflect the fact that the State of New Jersey adopted a new State Development and Redevelopment Plan in December 2025.*
- **Appendices**
 - *All appendices of the adopted and endorsed Round 4 HE&FSP are replaced by the appendices of this document. The various appendices of this document have been updated to reflect current information and regulations.*

As noted, the foregoing the amendments replace the corresponding sections of the adopted and endorsed Round 4 HE&FSP. **Round 4 Prospective Need**

Fanwood's Round 4 prospective need obligation is 109 units. As in Round 3, the Borough does not have sufficient vacant land to zone for or build for its full Round 4 obligation.

Round 4 Vacant Land Adjustment

Because the Borough does not have sufficient vacant land to zone for or build for its full Round 4 obligation, it is entitled to a Vacant Land Adjustment (VLA) for Round 4. The Round 4 VLA table and associated mapping is included in Appendix A. The VLA was prepared pursuant to COAH Round 2 rules contained in N.J.A.C. 5:93-4.2 and the FHA 2.

In its preparation of the Round 4 VLA, the Borough relied upon all analyses and conclusions from its approved Round 3 VLA. The Round 4 VLA analyzed vacant lots with a tax assessment land use classification code of 1 (vacant land) and 15C (public property). Full lots, or portions thereof, that contain environmental constraints were

excluded from the analysis. Properties that are listed on the Borough's Recreation and Open Space Inventory (ROSI) were also excluded, in addition to properties that are a Round 3 compliance mechanism or were identified as not buildable in Round 3. A six-unit per acre density was applied to the remaining lots or portions thereof.

The resulting RDP was zero (0) units.

Round 4 Unmet Need

The difference between a municipality's obligation and its RDP is the unmet need. With an obligation of 109 units and a zero-unit RDP, the Borough has a 109-unit unmet need. Fanwood proposes the following mechanisms to address unmet need:

- Amendment of the Borough's mandatory set-aside requirement pursuant to Section 184-124.1 of the Code of the Borough of Fanwood to require a mandatory affordable housing set-aside of 20 percent for both sale and rental units in multi-family residential development of five (5) or more units that become permissible through either a use variance, a density variance increasing the permissible density at the site, a rezoning permitting multifamily residential housing where not previously permitted, or new redevelopment plan. This provision is incorporated in the Borough's updated Affordable Housing Ordinance contained in Appendix B;
- Continuation of collection of development fees; and
- Revisions to the existing Commercial Corridor (CC) Zone as described below.

FHA 2, at N.J.S.A. 52:27D-310.1, contains the following new requirement:

*Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of **the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation**, or demonstrate why the municipality is unable to do so. (emphasis added)*

The Borough's unmet need obligation is 109 units. Thus, 25 percent of the 109-unit unmet need obligation is 28 affordable units.

The Borough of Fanwood is a fully built-out municipality that is approximately 1.3 square miles in size. Having engaged in sound planning for many years, Fanwood has guided new development to its downtown area. This area, collectively referred to as the Commercial Corridor (CC) Zone, is generally within walking distance of the Fanwood train station, which provides service from Fanwood to Newark Penn Station and New York Penn Station along New Jersey Transit's Raritan Valley Line. Such transit-oriented development in the commercial core is in concert with current

planning practices and with affordable housing rules and regulations, which encourage affordable units to have access to transportation, services and employment opportunities.

However, the entire Commercial Corridor (CC) Zone, which is allocated into three subdistricts (CC-Central, CC-East and CC-West), is a Round 3 unmet need compliance mechanism. All of the residential and mixed-use development that has occurred within the Commercial Corridor (CC) Zone includes an affordable component to help address Fanwood's Round 3 obligation.

Aside from the Commercial Corridor (CC) Zone, there is no other opportunity in the Borough to address its Round 4 unmet need obligation. Fanwood does not have industrial properties located outside of the Commercial Corridor (CC) Zone or dedicated industrial zones that could be the subject of an overlay zone to address Round 4 unmet need.

Based on the above, Fanwood has no alternative but to consider a revision to its Commercial Corridor (CC) Zone to address the requirement of N.J.S.A. 52:27D-310.1 and offer realistic zoning for 28 units. Presently, the Commercial Corridor (CC) Zone's set-aside requirements are 15 percent for rental units and 20 percent for sale units. The Borough finds that the majority of the approved and built units are rental units. The most realistic option that would result in additional affordable units within the Commercial Corridor (CC) Zone (i.e., above and beyond what the current zoning permits) is to increase the required affordable set-aside for rental units. Increasing the affordable set-aside for rental units from 15 percent to 20 percent would result in the potential to satisfy the requirement to offer realistic zoning for the 28 units required to address the requirement of N.J.S.A. 52:27D-310.1 to address 25 percent of the Borough's Round 4 unmet need (note: the original 15-percent set-aside will be applied to the Borough's combined Prior Round + Round 3 unmet need, while the additional five-percent set-aside will be applied to the Round 4 unmet need). A sample ordinance increasing the required set-aside for rental units in the Commercial Corridor (CC) Zone is included in Appendix D

Consistency with the State Development and Redevelopment Plan

The New Jersey State Planning Commission adopted its most recent State Development and Redevelopment Plan (SDRP) in December 2025.

The 2025 SDRP identifies several state planning areas. The current State Plan Policy Map, which facilitates the implementation of the SDRP, indicates that Fanwood is located within State Planning Area 1, which is known as the Metropolitan Planning Area. As outlined in the SDRP, the intent of the Metropolitan Planning Area is to:

- provide for much of the state's future growth in compact development and redevelopment;
-

- revitalize cities, towns and neighborhoods, and in particular overburdened neighborhoods;
- address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems;
- prevent displacement and gentrification;
- promote growth that occurs in Centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms;
- rebalance urbanization with natural systems;
- promote increased biodiversity and habitat restoration;
- stabilize and enhance older inner ring suburbs;
- redesign and revitalize auto oriented areas; and
- protect and enhance the character of existing stable communities.

In addition to the above, it is noted that the SDRP includes several “State Planning Goals.” One of these goals relates to housing and is centered around the following principle:

Provide an adequate supply of housing for residents of all ages and incomes in communities of their choosing that meet their needs and offer ready access to the full range of supportive goods and services.

(2025 SDRP, Page 27)

Based on its intents for the Metropolitan Planning Area and its promotion of affordable housing, it is concluded that this Housing Element and Fair Share Plan is generally consistent with the 2025 SDRP.

Appendices

This report contains the following appendices.

Appendix A: Vacant Land Adjustment Documentation

Appendix B: Affordable Housing Ordinance including the Mandatory Set-Aside Ordinance and Development Fee Ordinance

Appendix C: Resolution Appointing the Municipal Housing Liaison.

Appendix D: Ordinance to Increase Set-Aside of Commercial Corridor (CC) Zone and Existing Zoning Map.

Appendix E: Spending Plan.

Appendix A: Vacant Land Adjustment Documentation

Vacant Land Adjustment

Prepared for:

**Borough of Fanwood
Union County, New Jersey**

Prepared: November 18, 2025

Prepared by:



T&M Associates
11 Tindall Road
Middletown, NJ 07748



Introduction

In accordance with the provisions of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) and COAH Round 2 rules contained in N.J.A.C. 5:93-4.2, the Borough of Fanwood has prepared a Vacant Land Adjustment (VLA) to determine its Realistic Development Potential (RDP) and corresponding Unmet Need for the Fourth Round. This report provides complete details of the Borough's VLA and demonstrates that it has thoroughly reviewed its vacant land inventory to identify land that can support development at levels sufficient to yield RDP.

Vacant Land Inventory

This inventory reviewed the current tax assessment records for Vacant (Property Class: 1) and Public (Property Class: 15C) properties in Fanwood (n.b., there are no Farm-Regular [Property Class: 3A] or Farm-Qualified [Property Class: 3B] in the Borough). All such properties are listed in the accompanying Vacant Land Inventory Table in Appendix A and mapped in Appendix B.

Several properties are assessed as Vacant (Property Class: 1) or Public (Property Class: 15C) but are part of a developed site or are developed individually. In such cases, the property is listed in the Vacant Land Inventory Table of Appendix A with a note pertaining to its actual status. These properties are also identified in Appendix B.

Permitted Exclusions

The Fair Housing Act, at N.J.S.A. 52:27D-310.1, establishes the criteria by which properties or portions of vacant properties in a municipality's vacant land inventory may be excluded from the calculation of its RDP. Permissible exclusions identified at N.J.S.A. 52:27D-310.1(a) through N.J.S.A. 52:27D-310.1(g) include:

(a) any land that is owned by a local government entity that as of January 1, 1997, has adopted, prior to the institution of a lawsuit seeking a builder's remedy or prior to the filing of a petition for substantive certification of a housing element and fair share plan, a resolution authorizing an execution of agreement that the land be utilized for a public purpose other than housing;



- (b) any land listed on a master plan of a municipality as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement pursuant to P.L.1964, c.185 (C.40:61-35.1 et seq.), for so long as the entity maintains such ownership, lease, license, or operational control of such land;*
- (c) any vacant contiguous parcels of land in private ownership of a size which would accommodate fewer than five housing units based on appropriate standards pertaining to housing density;*
- (d) historic and architecturally important sites listed on the State Register of Historic Places or National Register of Historic Places prior to the date of filing a housing element and fair share plan pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1) or initiation of an action pursuant to section 13 of P.L.1985, c.222 (C.52:27D-313);*
- (e) agricultural lands when the development rights to these lands have been purchased or restricted by covenant;*
- (f) sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and*
- (g) environmentally sensitive lands where development is prohibited by any State or federal agency, including, but not limited to, the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), for lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities.*

We note that the foregoing exclusions are generally consistent with the permissible exclusions identified in the COAH Round 2 rules contained in N.J.A.C. 5:93-4.2.

In the case of Fanwood, vacant parcels or portions of vacant parcels were excluded based primarily on the presence of environmental constraints (e.g., wetlands and associated buffers, waterways, special flood hazard area, etc.) and inclusion on the Borough's Recreation and Open Space Inventory (ROSI). Appendix A provides complete details of exclusions.



With regard to Criterion (g), it is noted that Appendix C depicts the location of environmental constraints in relation to the lands identified in the Vacant Land Inventory Table of Appendix A.

Vacant Land as RDP

The assessment of vacant land and application of permitted exclusions results in a Fourth Round RDP of zero (0) units. This RDP of zero (0) units is attributable primarily to the fact that vacant parcels contained insufficient developable area to result in five (5) or more units, which is the minimum number of units to generate one (1) unit of RDP based on a 20-percent set-aside.

Although the assessment of Vacant (Property Class: 1) and Public (Property Class: 15C) properties indicates that there are five (5) properties that could potentially generate RDP, the remaining 61 Vacant (Property Class: 1) and Public (Property Class: 15C) properties were already developed or excluded for a variety of reasons, such as narrow configuration, inclusion on the ROSI, landlocked character, or prior identification as a Third Round RDP site (n.b., the basis for exclusion of specific properties is indicated in Appendix A).

Of the 66 properties that were identified in the assessment of Vacant (Property Class: 1) and Public (Property Class: 15C) lands, only five (5) were confirmed as vacant. However, the small size these five (5) vacant properties and their lack of adjacency to other vacant properties did not result in any contribution to the Borough's RDP.

Consistent with the COAH Round 2 rules contained in N.J.A.C. 5:93-4.2, a presumptive density of six (6) units per acre was applied to the Borough's vacant parcels. This presumptive density is approximately 1.15 times the existing average residential density of all properties assessed as Residential—Four Families or Less (Property Class: 2) in the Borough of Fanwood, which is estimated to be approximately 5.2 units per acre (n.b., there are no properties assessed as Apartments [Property Class: 4C]). Moreover, it is noted that a density of significantly more than 20 units per acre, which would be out of character for the Borough and inappropriate, could have been applied and the RDP would still have been zero (0).



Changed Circumstances

In addition to reviewing the Borough's Vacant (Property Class: 1) and Public (Property Class: 15C) lands, a review for changed circumstances on sites that could result in additional RDP was also conducted. This review, however, has revealed that there are no such sites and no changed circumstances that would impact the Borough's RDP or any other aspect of its VLA. Indeed, there are no areas of the Borough that would be considered for future redevelopment via implementation of the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.). There are, however, properties within the Borough's Commercial Corridor (CC) Zone that that may redevelop through the instrumentality of private capital within the next ten (10) years; please note that these properties are discussed within the context of unmet need later in this report.

With further regard to changed circumstances, it is noted that the Borough's land use patterns are well established and growth within the Borough occurs in areas designed and envisioned by the Borough to accommodate growth. This is demonstrated by the fact that in the period between the 2000 and 2020 US Censuses, which includes most of the Third Round, the number of housing units in the Borough grew by just 214 units or about 8.2 percent, from 2,615 units in 2000 to 2,829 units in 2020. Over 94 percent of this growth (i.e., 202 of 214 units) occurred within a total of just four (4) census blocks¹ that completely or partially contain the Borough's existing redevelopment areas; the CC Zone, which was designed to capture unmet need from the Third Round; or in established affordable housing districts. This is demonstrated below:

- Block 64 Redevelopment Area: 109 of 214 units (50.9 percent)²;
- CC Zone: 68 of 214 units (31.8 percent)³; and,
- Midway and Terrill Road Affordable Housing Zones: 25 of 214 units (11.7 percent).

¹ Census blocks are the smallest enumeration unit of the US Census.

² The Borough's Court-approved Vacant Land Adjustment for the Third Round identified a total of 13 units of RDP for affordable units resulting from the Block 64 Redevelopment Area.

³ Consistent with the Borough's Court-approved Third Round Housing Element and Fair Share Plan, affordable units created in the CC Zone were applied to the Borough's unmet need. More information about the CC Zone and plans to address the Borough's Fourth Round unmet need are provided later in this report.



Note that the forgoing redevelopment areas and zone districts comprise less than 7.9 percent of the Borough of Fanwood and were either accounted for and addressed in the Borough's Third Round Housing Element and Fair Share Plan, or constructed prior to 2006 (i.e., before the preparation of the Borough's Court-approved Vacant Land Adjustment for the Third Round). All other areas of the Borough had a total net change of just 12 units (i.e., 5.6 percent of 214 units) in the period between the 2000 and 2020 US Censuses. Moreover, it should be noted that the housing unit counts of most census blocks within the Borough of Fanwood were unchanged in the period between the 2000 and 2020 US Censuses. To illustrate, the 2020 US Census identifies a total of 111 census blocks in the Borough, including the four (4) that have been mentioned above. Of the remaining 107 census blocks, 59 experienced no change in the number of housing units between the 2000 and 2020 US Censuses. Of the 48 census blocks that did experience a change, the average net change was negligible at just 0.25 units (n.b., net change ranged from -13 to nine [9] units). Appendix E depicts change in the number of housing units at the census block level between the 2000 and 2020 US Censuses. For additional reference, a copy of the Borough's current zone plan is provided in Appendix F; 2020 aerial mapping of the New Jersey Department of Environmental Protection (NJDEP) is provided in Appendix G; and 2002 aerial mapping of the NJDEP is provided in Appendix H (n.b., 2000 aerial mapping was not published by the NJDEP).

Unmet Need

With a Fourth Round RDP of zero (0) units, the Borough's Fourth Round Unmet Need is 109 units.

The amended Fair Housing Act, at N.J.S.A. 52:27D-310.1, contains the following requirement related to unmet need:

Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of



obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so. (emphasis added)

Twenty-five (25) percent of the Borough's Fourth Round Unmet Need of 109 units is 28 affordable units. This is the number of affordable units that the Borough must adopt realistic zoning for or demonstrate why it is unable to do so per N.J.S.A. 52:27D-310.1.

As noted in the Borough's Fourth Round Housing Element and Fair Share Plan, Fanwood is, essentially, a fully built-out municipality. It has an area of just 1.3 square miles and no vacant land of any significance.⁴ It is in this context that Fanwood has advocated for smart growth and guided new development into its downtown area. This area is included in the Borough's CC Zone, which is centered around the Fanwood Train Station and is allocated into the following subdistricts: CC-West (CC-W); CC-Central (CC-C); and CC-East (CC-E).

The CC Zone was originally created as a Third Round unmet need compliance strategy. It currently requires an affordable housing set-aside of 15 percent for rental units and 20 percent for sale units. To date, the CC Zone has been a resounding success. Indeed, it has resulted in inclusionary development with a total of 40 affordable units, which are credited to the Borough's Third Round unmet need. These units are mapped in Appendix I and inventoried below:

- 383 South Avenue (Block 69, Lot 5): 16 units in total, including 13 market rate rental units and three (3) affordable rental units;
- 70 South Avenue (Block 56, Lot 8): 12 units in total, including ten (10) market rate rental units and two (2) affordable rental units;
- 105 South Avenue—Carano Square (Block 55, Lots 11, 11.01 and 12; Block 57, Lot 1): 140 units in total, including 119 market rate rental units and 21 affordable rental units;

⁴ Note that in calculating the Borough's Fourth Round Prospective Need Obligation, the New Jersey Department of Community Affairs (NJCA) identified just 1.79 acres of vacant land capacity on four (4) parcels within the Borough. However, two (2) of these parcels were previously assigned an RDP of zero (0) in the Borough's Court-approved Third Round Vacant Land Adjustment. The remaining two (2) parcels had a total of slightly less than 0.80 acres of vacant land capacity per the NJCA.



- 40 South Avenue (Block 56, Lot 5.01): 28 units in total, including 23 market rate rental units and five (5) affordable rental units; and,
- 282 South Avenue—SoHo (Block 65, Lots 2 and 3): 58 units in total, including 49 market rate rental units and nine (9) affordable rental units.

The Borough's plan to address the requirement of N.J.S.A. 52:27D-310.1 to provide realistic zoning for 25 percent of the Fourth Round unmet need (i.e., 28 affordable units) is to increase the required affordable housing set-aside of the CC Zone from the current 15 percent for rental units to 20 percent, with the units resulting from the increase of five (5) percent being credited toward Fourth Round unmet need.

As can be seen from the foregoing inventory of affordable units constructed in the CC Zone, all multifamily development that has occurred to date (in the CC Zone) has been rental development. It is, therefore, anticipated that the five-percent increase to the required set-aside for rental units will produce a significant number of affordable units. In fact, the Borough has reviewed existing development within the CC Zone and has identified several properties that may redevelop through the instrumentality of private capital at some point during the Fourth Round. If the redevelopment of these properties does occur, it is anticipated that up to approximately six (6) units of credit toward the Fourth Round unmet need could be generated, if developed at an average density of 20 units per acre. This is demonstrated below and mapped in Appendix J:

- 265-275 South Avenue (Block 66, Lots 2 and 3): 1.04 acres, which could result in 21 units in total, including a set-aside of five (5) affordable units. Of the five (5) affordable units, one-quarter or 1.25 units would be applicable to the Fourth Round unmet need.⁵ This property is currently developed with a post office and a florist.
- 2 South Avenue (Block 56, Lot 1): 1.82 acres, which could result in 36 units in total, including a set-aside of eight (8) affordable units. Of the eight (8) affordable units, one-quarter or two (2)

⁵ In estimating the number of affordable units that would be applicable to the Fourth Round unmet need, this analysis does not round fractional affordable units at the site level. Rather, fractional affordable units for all sites are summed and the final result is rounded to the nearest whole number. As an example, the sum of all fractional affordable units in this list is 18.25, which rounds down to 18.



units would be applicable to the Fourth Round unmet need. This property is currently developed with an automotive repair facility (i.e., garage) and fueling station.

- 1 South Avenue (Block 55, Lot 1): 0.50 acres, which could result in 10 units in total, including a set-aside of two (2) affordable units. Of the two (2) affordable units, one-quarter or 0.5 units would be applicable to the Fourth Round unmet need. This property is currently developed with a vacant paint store.
- 183-191 South Avenue (Block 55, Lots 16, 17 and 18): 1.31 acres, which could result in 26 units in total, including a set-aside of six (6) affordable units. Of the six (6) affordable units, one-quarter or 1.5 units would be applicable to the Fourth Round unmet need. This property is currently developed with an automotive repair facility (i.e., garage) and fueling station.
- 193 South Avenue (Block 55, Lot 19): 0.27 acres, which could result in five (5) units in total, including a set-aside of one (1) affordable unit. Of the one (1) affordable unit, one-quarter or 0.25 units would be applicable to the Fourth Round unmet need. This property is currently developed with a vacant religious/cultural facility (i.e., Chabad Jewish Center).

The sum of projected affordable units on the foregoing properties that would be applicable to the Fourth Round unmet need is 5.5, which rounds up to six (6). The Borough acknowledges that its projection of six (6) units as described above falls short of the requirement of N.J.S.A. 52:27D-310.1 to provide realistic zoning for 25 percent of the Fourth Round unmet need (i.e., 28 affordable units). However, the set-aside requirement for the entirety of the CC Zone will be changed from 15 percent for rental units to 20 percent. Thus, there may be additional sites within the CC Zone that may redevelop through the instrumentality of private capital at some point during the Fourth Round, although the Borough is unable to specifically identify them at this time. Nonetheless, given the built-out character of the Borough, its creative and effective zoning to address unmet need, its small size, existing development patterns, and lack of vacant land of any significance,⁶ it is

⁶ As previously noted, the New Jersey Department of Community Affairs (NJCA) identified just 1.79 acres of vacant land capacity on four (4) parcels within the Borough when calculating the Borough's Fourth Round Prospective Need Obligation. However, two (2) of these parcels were previously assigned an RDP of zero (0) in the Borough's Court-approved Third Round Vacant Land Adjustment. The remaining two (2) parcels had a total of slightly less than 0.80 acres of vacant land capacity per the NJCA.



unreasonable to expect that sufficient development to result in the full requirement for an additional 22 units of credit toward Fourth Round unmet need—which would require 20 times this number in market rate development when it is considered that only one-quarter of the affordable housing set-aside in the CC Zone would be applicable to the Fourth Round unmet need—will occur. However, the Borough’s CC Zone set-aside requirements will remain in force to capture any potential for additional credit toward unmet need.

Based on the above, the Borough of Fanwood very clearly cannot meet the requirement of N.J.S.A. 52:27D-310.1 to provide realistic zoning for 25 percent of the Fourth Round unmet need. However, the Borough will endeavor to capture Fourth Round unmet need in the manner that has been described above.



Appendix A: Vacant Land Inventory Table

APPENDIX A: VACANT LAND INVENTORY
FANWOOD BOROUGH

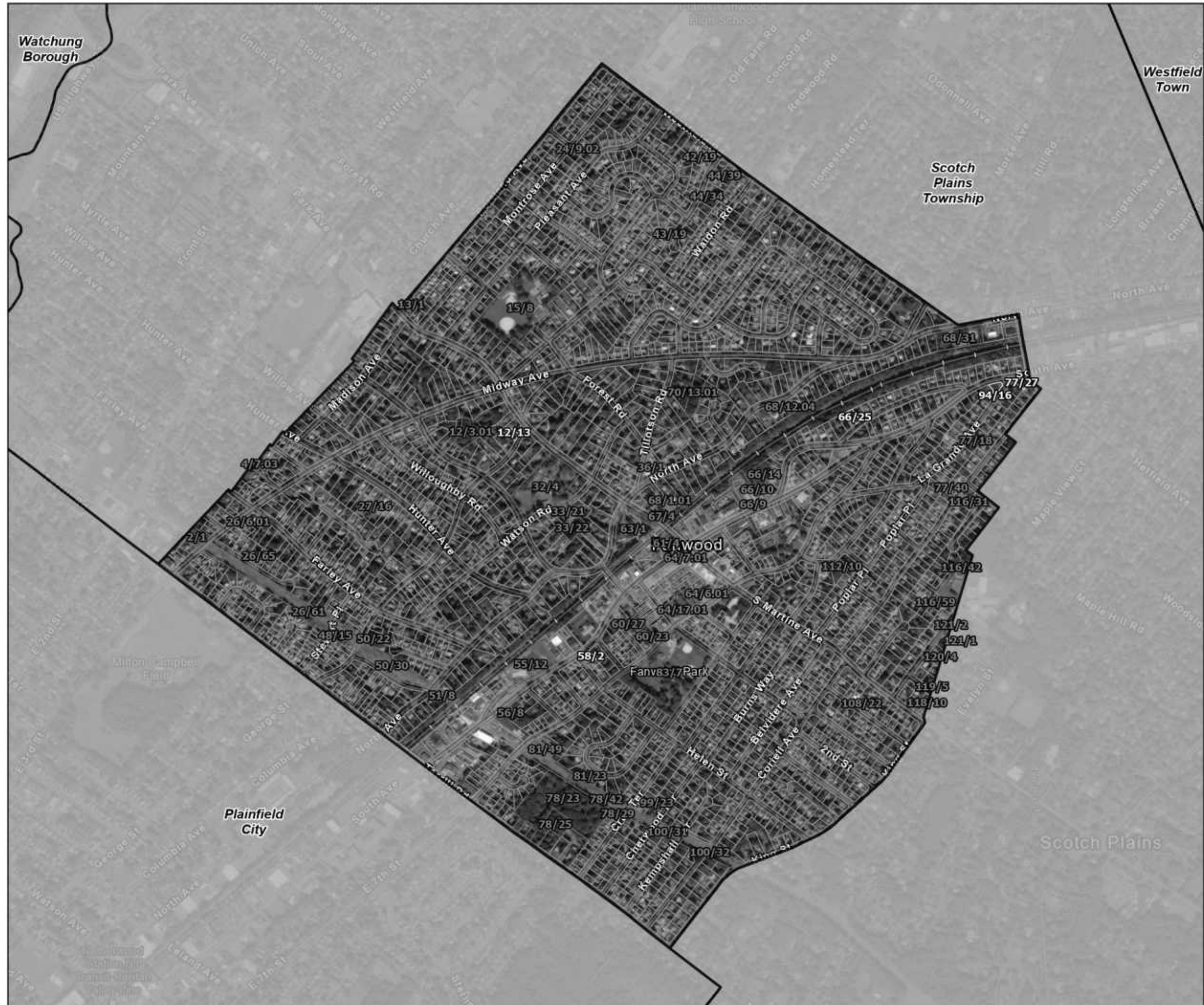
BLOCK	LOT	PROPERTY LOCATION	OWNER	PRO- PERTY CLASS PER MOD-IV	PRO- PERTY CLASS	VACANT (Y/N)	NOTE	ADJACENCY SCREEN	TOTAL ACRES	SPECIAL FLOOD HAZARD AREA	WETLAND AREA	WETLAND BUFFER	STREAM- BED	HISTORIC (STATE AND/OR NATIONAL REGIS- TER)	ACRES WITH ONE OR MORE ENVIRON- MENTAL CON- STRAINTS	NET ACRES	ASSUMED DENSITY	TOTAL YIELD	RDP	
12	13	227 PATERSON ROAD	CORRAO 2022 REVOCABLE TRUST	1	1	Y	VACANT	NOT ADJACENT TO ANOTHER VACANT SITE	0.16	-	-	-	-	-	-	0.16	6.00	0.93	-	
58	2	146 SOUTH AVE	DI BELLA, AGOSTINA & GRACE	1	1	Y	VACANT	NOT ADJACENT TO ANOTHER VACANT SITE	0.12	-	-	-	-	-	-	0.12	6.00	0.70	-	
66	25	43 LOCUST AVE	OLKUSZ, JOSEPH	1	1	Y	VACANT	NOT ADJACENT TO ANOTHER VACANT SITE	0.16	-	-	-	-	-	-	0.16	6.00	0.96	-	
77	27	482 SOUTH AVENUE	OUTDOOR SYSTEMS, INC	1	1	Y	VACANT	NOT ADJACENT TO ANOTHER VACANT SITE	0.20	-	-	-	-	-	-	0.20	6.00	1.21	-	
94	16	474 SOUTH AVENUE	BOROUGH OF FANWOOD	15C	15C	Y	VACANT	NOT ADJACENT TO ANOTHER VACANT SITE	0.20	-	-	-	-	-	-	0.20	6.00	1.18	-	
2	1	29 MIDWAY AVENUE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		0.60	0.48	-	-	-	-	0.48	0.13	-	-	-	
4	7.03	5 BEVERLY AVE	WOODCLIFF, INC	1	1	N	DRAINAGE		0.18	-	-	-	-	-	-	0.18	-	-	-	
12	3.01	MIDWAY AVENUE	BORO OF FANWOOD	15C	15C	N	LANDLOCKED (NO ACCESS FROM IMPROVED ROW)		1.10	-	-	-	-	-	-	1.10	-	-	-	
13	1	244 N MARTINE AVE	GOLANI, AMRITA KAUR & KSHITIJ N		1	N	DEVELOPED PER AERIAL		0.13	-	-	-	-	-	-	0.13	-	-	-	
15	8	200 FOREST RD	BOROUGH OF FANWOOD	15C	15C	N	ROSI		7.15	-	-	-	-	-	-	7.15	-	-	-	
24	9.02	76 MONTROSE AVE	NEVES, JOSE	1	1	N	UNDER CONSTRUCTION PER NEARMAP		0.17	-	-	-	-	-	-	0.17	-	-	-	
26	6.01	MIDWAY AVE	ESTATE OF FRANK SHERRIFFO	1	1	N	DEVELOPED PER AERIAL		0.06	-	-	-	-	-	-	0.06	-	-	-	
26	61	38 MIDWAY AV & TOWER PL	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		3.57	0.02	-	-	-	-	0.02	3.56	-	-	-	
26	65	TOWER PLACE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.04	-	-	-	-	-	-	0.04	-	-	-	
27	16	127 HUNTER AVE	SCHAFFNER, JOSEPH & PALLISTER, K		1	N	DEVELOPED PER AERIAL		0.45	-	-	-	-	-	-	0.45	-	-	-	
32	4	75 N MARTINE AVE	THE BOROUGH OF FANWOOD	15C	15C	N	MUNICIPAL COMPLEX		4.88	-	-	-	-	-	-	4.88	-	-	-	
33	21	130 WATSON RD	THE BOROUGH OF FANWOOD	15C	15C	N	PARKING AREA; POTENTIAL RECREATION		0.23	-	-	-	-	-	-	0.23	-	-	-	
33	22	130 WATSON ROAD	BOROUGH OF FANWOOD	15C	15C	N	LANDLOCKED; POTENTIAL RECREATION		0.76	-	-	-	-	-	-	0.76	-	-	-	
36	1	5 FOREST ROAD	BOROUGH OF FANWOOD	15C	15C	N	LIBRARY		0.47	-	-	-	-	-	-	0.47	-	-	-	
42	19	BIRCHWOOD TERRACE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.04	-	-	-	-	-	-	0.04	-	-	-	
43	19	BIRCHWOODD TER & WOODLAND	BOROUGH OF FANWOOD	15C	15C	N	YARD AREA; POTENTIALLY FOR DRAINAGE		0.05	-	-	-	-	-	-	0.05	-	-	-	
44	34	BIRCHWOOD TERRACE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.02	-	-	-	-	-	-	0.02	-	-	-	
44	39	BIRCHWOOD TERRACE	BOROUGH OF FANWOOD	15C	15C	N	LONG AND NARROW; UNDEVELOPABLE		0.09	-	-	-	-	-	-	0.09	-	-	-	
48	15	PATERSON & STEWART	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		0.78	-	-	-	-	-	-	0.78	-	-	-	
50	22	OAK COURT	BOROUGH OF FANWOOD	15C	15C	N	LONG AND NARROW; UNDEVELOPABLE		0.06	-	-	-	-	-	-	0.06	-	-	-	
50	30	55 NORTH AVENUE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		2.11	-	-	-	-	-	-	2.11	-	-	-	
51	8	NORTH AVE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		0.35	-	-	-	-	-	-	0.35	-	-	-	
55	12	105 SOUTH AVENUE	CARANO SQUARE LLC	1	1	N	ROUND THREE UNMET NEED MECHANISM (CARANO SQUARE)		2.35	-	-	-	-	-	-	2.35	-	-	-	
56	8	70 SOUTH AVE	70 SOUTH AVENUE PARTNERS LLC	1	1	N	UNDER CONSTRUCTION (FANWOOD ANIMAL HOSPITAL SITE)		0.30	-	-	-	-	-	-	0.30	-	-	-	
60	23	LA GRANDE SQUARE	LA GRANDE SQUARE AT FANWOOD	1	1	N	DEVELOPED PER AERIAL		0.57	-	-	-	-	-	-	0.57	-	-	-	
60	27	35 THIRD STREET	VALENTIN, KEVIN	1	1	N	DEVELOPED PER AERIAL		0.15	-	-	-	-	-	-	0.15	-	-	-	
61	4	SOUTH AVE	BOROUGH OF FANWOOD	15C	15C	N	TRAIN STATION PARKING		1.07	-	-	-	-	1.07	1.07	-	-	-	-	
63	1	NORTH AVE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		2.61	-	-	-	-	2.61	2.61	-	-	-	-	
64	6.01	233 LAGRANDE AVENUE	FANWOOD CROSSING III URBAN RENEWAL	1	1	N	DEVELOPED PER AERIAL		0.35	-	-	-	-	-	-	0.35	-	-	-	
64	7.01	254 SOUTH AVENUE	250 S AVE FANWOOD URBAN RENEWAL	1	1	N	DEVELOPED PER AERIAL		0.30	-	-	-	-	-	-	0.30	-	-	-	
64	17.01	1 SECOND STREET	STATION SQUARE AT FANWOOD URBAN REN	1	1	N	DEVELOPED PER AERIAL		1.19	-	-	-	-	-	-	1.19	-	-	-	
66	9	313 SOUTH AVE	FANWOOD PLAZA PARTNERS LLC	1	1	N	DEVELOPED PER AERIAL		1.01	-	-	-	-	-	-	1.01	-	-	-	
66	10	319 SOUTH AVENUE	PARK VALLEY FANWOOD LLC	1	1	N	THIRD ROUND UNMET NEED MECHANISM	ADJACENT CODE 1	0.37	-	-	-	-	-	-	0.37	-	-	-	
66	14	15 OLD SOUTH AVE	PARK VALLEY FANWOOD LLC	1	1	N	THIRD ROUND UNMET NEED MECHANISM	ADJACENT CODE 1	0.79	-	-	-	-	-	-	0.79	-	-	-	
67	4	NORTH AVE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.44	-	-	-	-	-	-	0.44	-	-	-	
68	1.01	NORTH AVE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.30	-	-	-	-	-	-	0.30	-	-	-	
68	12.04	384 NORTH AVE	VIJAY, PRATEEK & BHASIN, NEHA		1	N	DEVELOPED PER AERIAL		0.24	-	-	-	-	-	-	0.24	-	-	-	
68	31	536 NORTH AVE	BOROUGH OF FANWOOD	15C	15C	N	ACTIVE CONSTRUCTION PER AERIAL		1.75	-	-	-	-	-	-	1.75	-	-	-	
70	13.01	76 TILLOTSON RD	SUAREZ, EDWARD M & CLARE J	1	1	N	LANDLOCKED		0.93	-	-	-	-	-	-	0.93	-	-	-	
77	18	464 LA GRANDE AVE	POMBAL BUILDERS LLC	1	1	N	DEVELOPED PER AERIAL		0.18	-	-	-	-	-	-	0.18	-	-	-	
77	40	SHADY LANE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.01	-	-	-	-	-	-	0.01	-	-	-	
78	23	487 TERRILL ROAD	BOROUGH OF FANWOOD	15C	15C	N	ROSI		6.84	0.42	1.32	1.22	0.25	-	2.54	4.30	-	-	-	
78	25	499 TERRILL ROAD	BOROUGH OF FANWOOD	15C	15C	N	ROSI		1.31	0.73	0.33	0.44	0.04	-	0.88	0.43	-	-	-	
78	29	55 CRAY TERRACE	MIDWAY ASSOCIATES	1	1	N	YARD AREA; BUFFER TO UTILITY ROW		0.05	-	-	-	-	-	-	0.05	-	-	-	
78	42	CRAY TERRACE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		2.56	-	-	0.21	-	-	0.21	2.35	-	-	-	
81	23	VINTON CIRCLE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.03	-	-	-	-	-	-	0.03	-	-	-	
81	49	LA GRANDE AVE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY		0.45	-	-	-	-	-	-	0.45	-	-	-	
83	7	80 SECOND ST	BOROUGH OF FANWOOD	15C	15C	N	ROSI		7.92	-	-	-	-	-	-	7.92	-	-	-	
99	23	CRAY&CHETWOOD TER	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		0.50	-	-	-	-	-	-	0.50	-	-	-	
100	31	CORIELL AVE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		0.52	-	-	-	-	-	-	0.52	-	-	-	
100	32	CORIELL AVENUE	PUBLIC SERVICE ELECTRIC & GAS CO	1	1	N	UTILITY ROW		1.27	-	-	-	-	-	-	1.27	-	-	-	
108	22	29 CARSAM ST	SPINDEL, MARC & ARIEL L	1	1	N	DEVELOPED PER NEARMAP		0.16	-	-	-	-	-	-	0.16	-	-	-	
112	10	26 BEECH AVE	DICARLO, NICOLAS & THERESA R	1	1	N	DEVELOPED		0.21	-	-	-	-	-	-	0.21	-	-	-	
116	31	SHADY LANE	BOROUGH OF FANWOOD	15C	15C	N	DEVELOPED PER AERIAL		0.01	-	-	-	-	-	-	0.01	-	-	-	
116	42	ROOSEVELT AVE	BOARD OF EDUCATION	15C	15C	N	LANDLOCKED		0.27	-	-	-	-	-	-	0.27	-	-	-	
116	59	11 ROOSEVELT AVE	GUR, RAMAZAN & KAYA, DUYGU		1	N	DEVELOPED PER AERIAL		0.11	-	-	-	-	-	-	0.11	-	-	-	
118	10	22 WASHINGTON AVE	BRAHIMAJ, SKERDI	1	1	N	DEVELOPED PER AERIAL		0.03	-	-	-	-	-	-	0.03	-	-	-	
119	5	15 WASHINGTON AVE	ANTOINE FAYDENE D	1	1	N	DEVELOPED PER AERIAL		0.01	-	-	-	-	-	-	0.01	-	-	-	
120	4	13 JEFFERSON AVE	FONTANILLA, JOANNE M & RENATO E	1	1	N	DEVELOPED PER AERIAL		0.03	-	-	-	-	-	-	0.03	-	-	-	
121	1	56 TRENTON AVE	OH, JAE IK & SARAH EK	1	1	N	DEVELOPED PER AERIAL		0.03	-	-	-	-	-	-	0.03	-	-	-	
121	2	60 TRENTON AVENUE	BORRERO, RICHARD & MARIBEL	1	1	N	DEVELOPED PER AERIAL		0.01	-	-	-	-	-	-	0.01	-	-	-	
																			TOTAL RDP (UNROUNDED):	-
																			TOTAL RDP (ROUNDED):	-



Appendix B: Vacant Land Inventory Map



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



900
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant

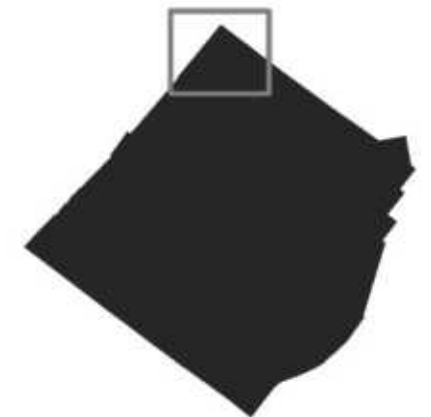


180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**



- Developed/Excluded
- Vacant



180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

- Developed/Excluded
- Vacant



180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

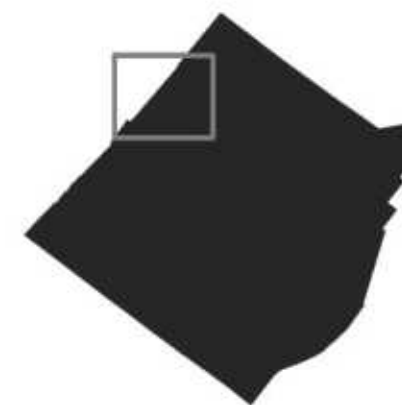
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- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant



180
US Feet



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Fanwood Borough, NJ**

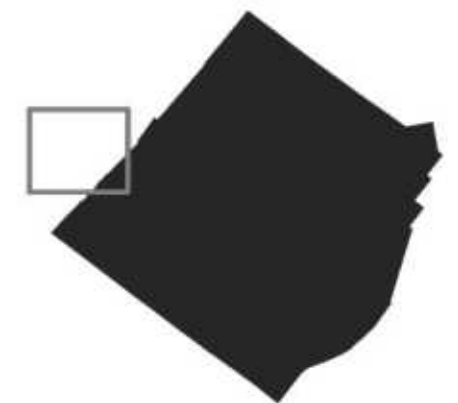
- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

Developed/Excluded
Vacant

Scotch
Plains
Township



180
US Feet



**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**



- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

Developed/Excluded
Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



Scotch
Plains
Township

68/31

68/12.04

66/25

66/9

66/14



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant





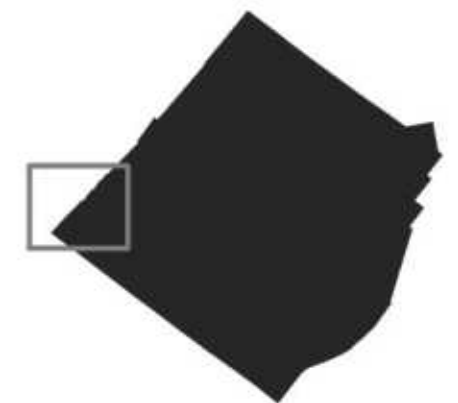
Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

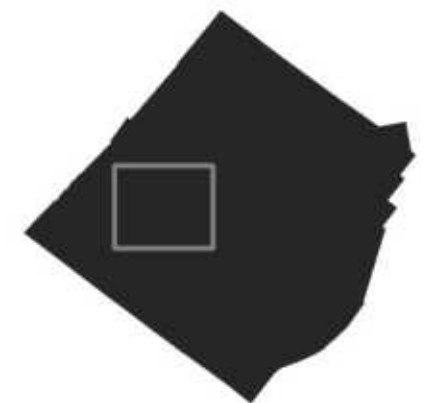
- Developed/Excluded
- Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

 Developed/Excluded
 Vacant



180
 US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet



**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

Developed/Excluded
 Vacant



180
US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**



- Developed/Excluded
- Vacant

Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ



- Developed/Excluded
- Vacant



180
US Feet

Plainfield
City

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

 Developed/Excluded
 Vacant



180
US Feet

Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ



□ Developed/Excluded
□ Vacant



180
US Feet

Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ





- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



180
US Feet

Scotch
Plains
Township



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

Developed/Excluded
Vacant



180
US Feet

Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet





**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

- Developed/Excluded
- Vacant



180
US Feet



Vacant Land Adjustment Inventory Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant



180
US Feet



**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

-  Developed/Excluded
-  Vacant



180
 US Feet

**Vacant Land Adjustment
Inventory Map
Fanwood Borough, NJ**

-  Developed/Excluded
-  Vacant



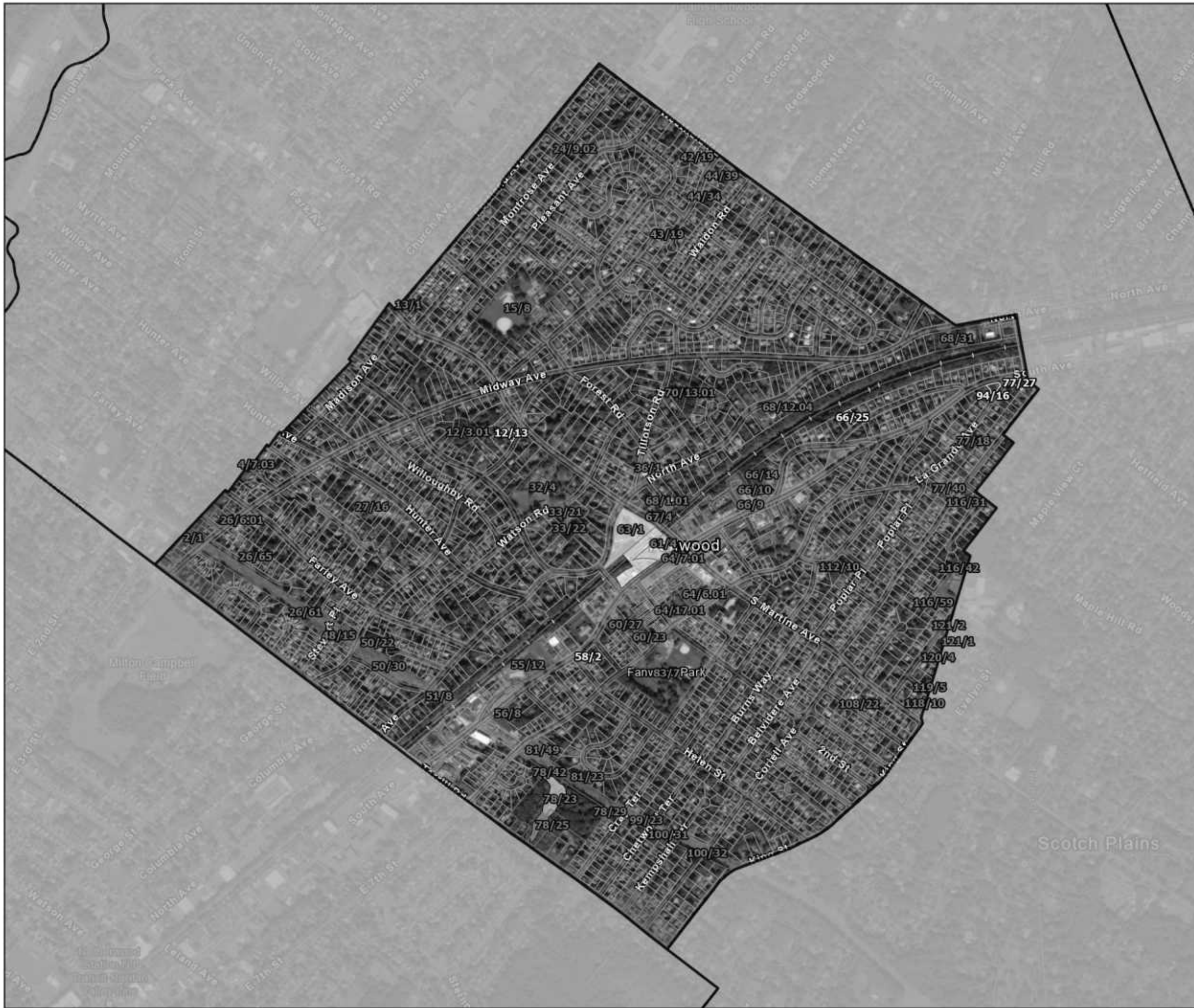
180
US Feet



Appendix C: Environmental Constraints Map

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



900
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

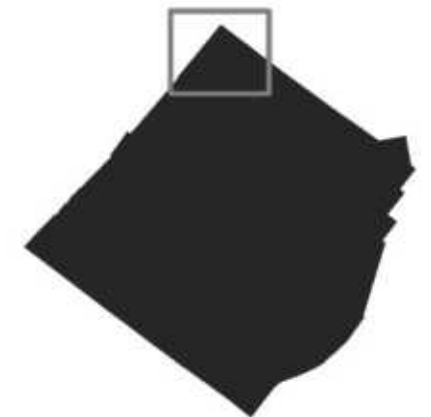
- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

68/31

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties

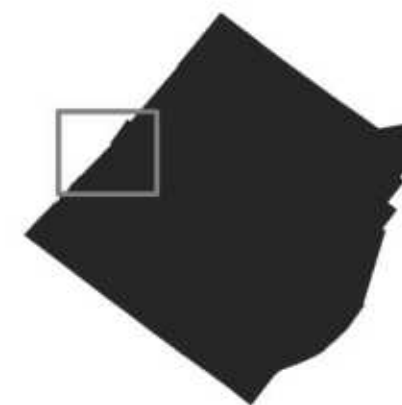


180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties

Scotch
Plains
Township



180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Wetlands
- Estimated Wetland Buffer (50 Feet)
- Streambed
- Special Flood Hazard Area
- Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



Scotch
Plains
Township

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties

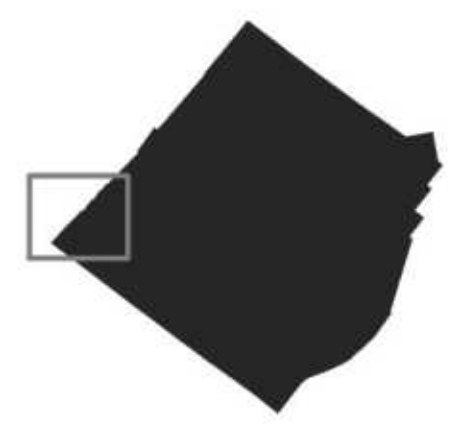
Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



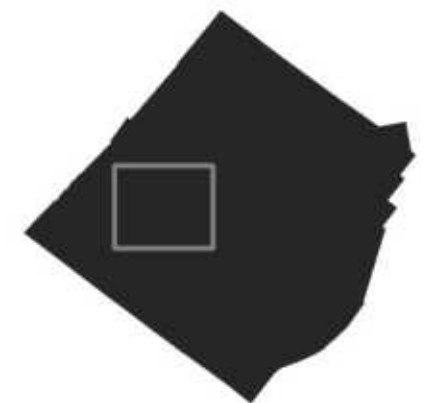
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- Special Flood Hazard Area
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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



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180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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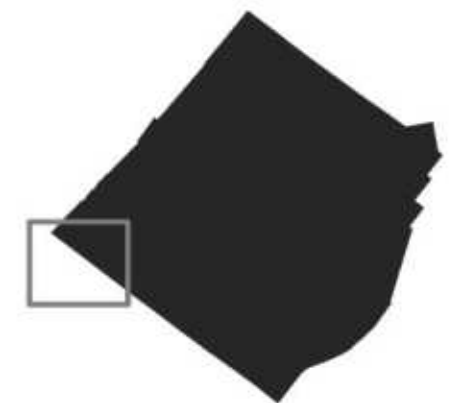
Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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- Vacant
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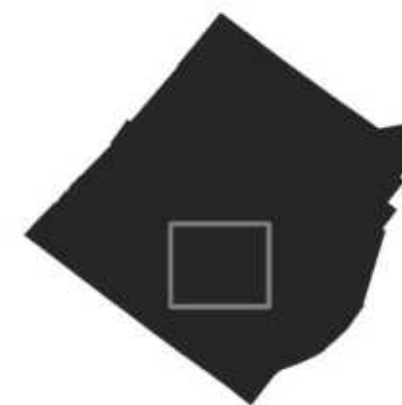
180
US Feet



Plainfield
City

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
-  Historic Properties



180
US Feet





Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
-  Streambed
-  Special Flood Hazard Area
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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ



-  Developed/Excluded
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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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- Historic Properties



Plainfield
City



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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-  Wetlands
-  Estimated Wetland Buffer (50 Feet)
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-  Special Flood Hazard Area
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180
US Feet



A horizontal scale bar representing 180 US feet.

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
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- Wetlands
- Estimated Wetland Buffer (50 Feet)
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- Special Flood Hazard Area
- Historic Properties



180
US Feet

Scotch
Plains
Township

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

- Developed/Excluded
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- Wetlands
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- Streambed
- Special Flood Hazard Area
- Historic Properties



Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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- Historic Properties



180
US Feet



Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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180
US Feet



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180
US Feet

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180
US Feet

Vacant Land Adjustment Constraints Map Fanwood Borough, NJ

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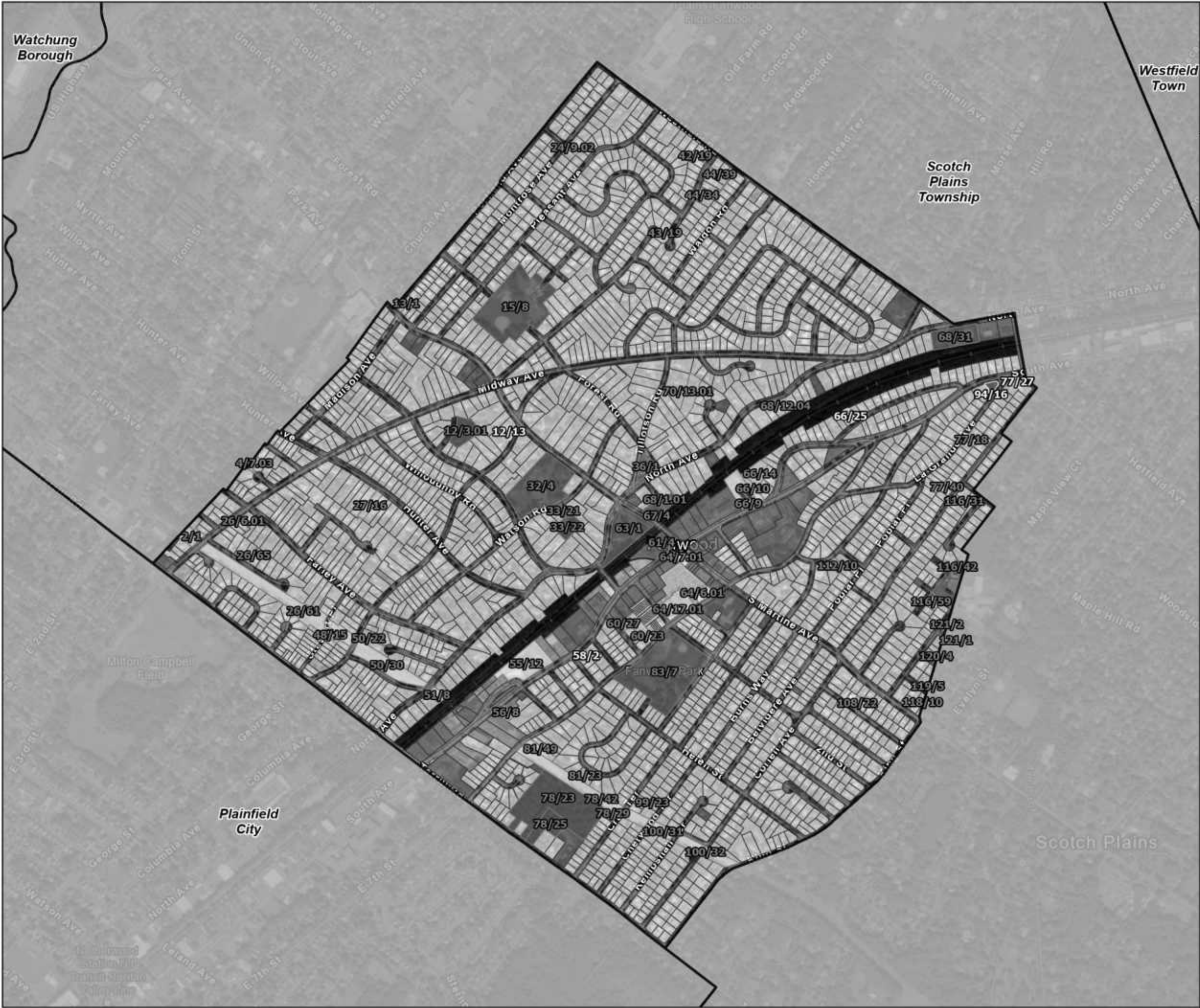
Scotch
Plains
Township













180
US Feet



Appendix D: MOD-IV Land Use Map



Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ

-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
-  Class 4B (Industrial)
-  Class 5A (Class 1 Railroad)
-  Class 15C (Public)
-  Class 15D (Church and Charitable)
-  Class 15F (Other Exempt)



900
US Feet

Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ

- Developed/Excluded
- Vacant
- Class 1 (Vacant)
- Class 2 (Residential)
- Class 4A (Commercial)
- Class 4B (Industrial)
- Class 5A (Class 1 Railroad)
- Class 15C (Public)
- Class 15D (Church and Charitable)
- Class 15F (Other Exempt)













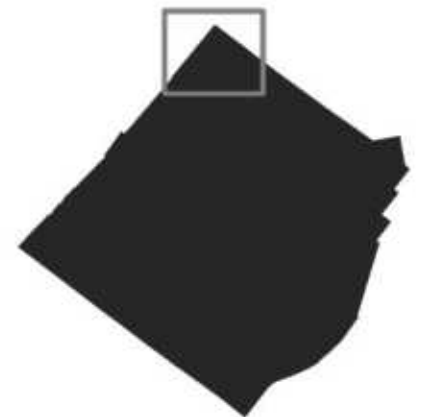
180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



Scotch
Plains
Township











-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
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-  Class 15C (Public)
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180
US Feet











**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

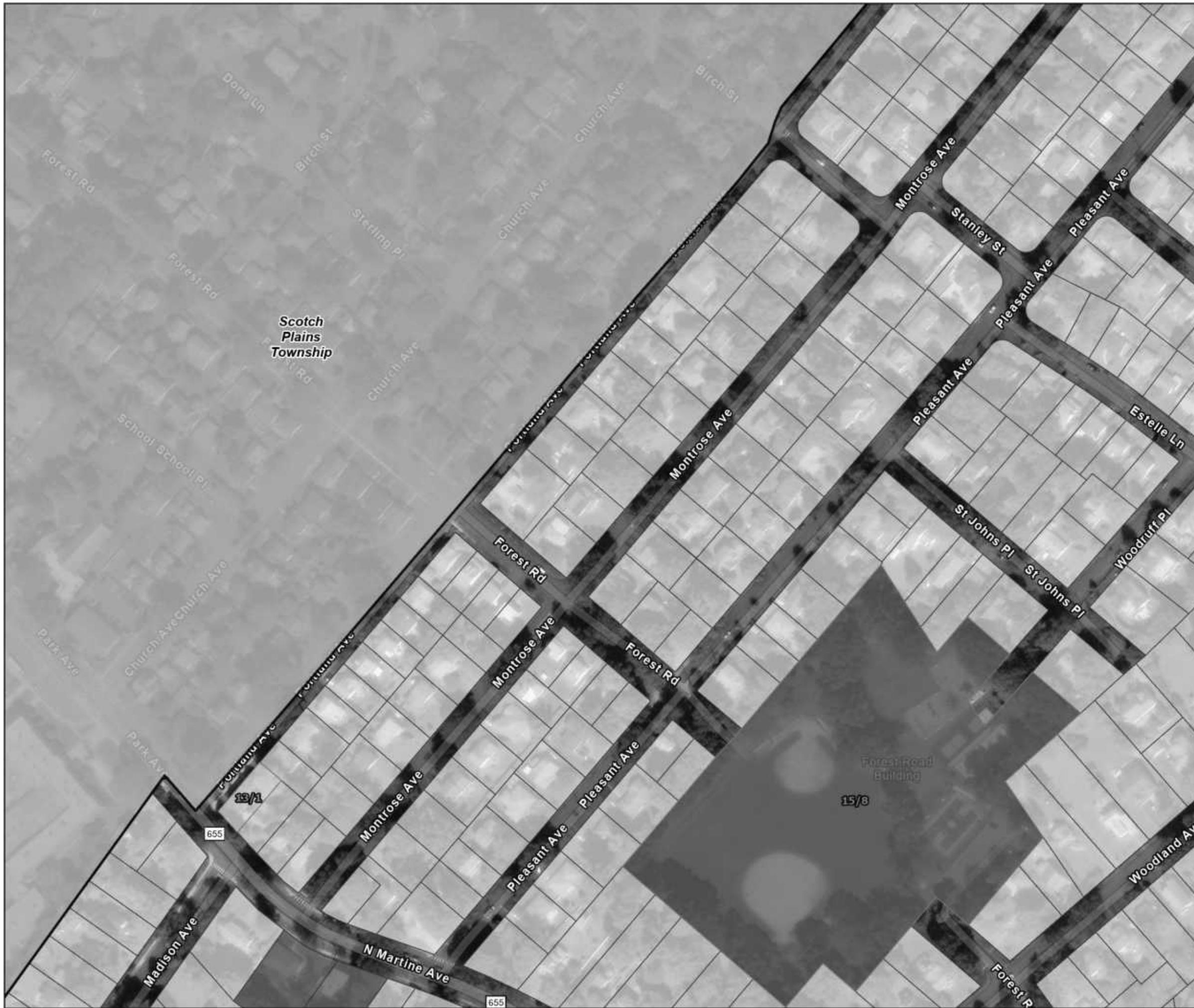
-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
-  Class 4B (Industrial)
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



- Developed/Excluded
- Vacant
- Class 1 (Vacant)
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













- Developed/Excluded
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



-  Developed/Excluded
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-  Class 1 (Vacant)
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180
US Feet

68/31

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



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180
US Feet

Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ











- Developed/Excluded
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



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- Class 4B (Industrial)
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- Class 15D (Church and Charitable)
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180
US Feet

A horizontal scale bar with a black fill and white outline, representing a distance of 180 US Feet.

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
-  Class 4B (Industrial)
-  Class 5A (Class 1 Railroad)
-  Class 15C (Public)
-  Class 15D (Church and Charitable)
-  Class 15F (Other Exempt)



180
US Feet



A horizontal scale bar representing 180 US Feet.

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

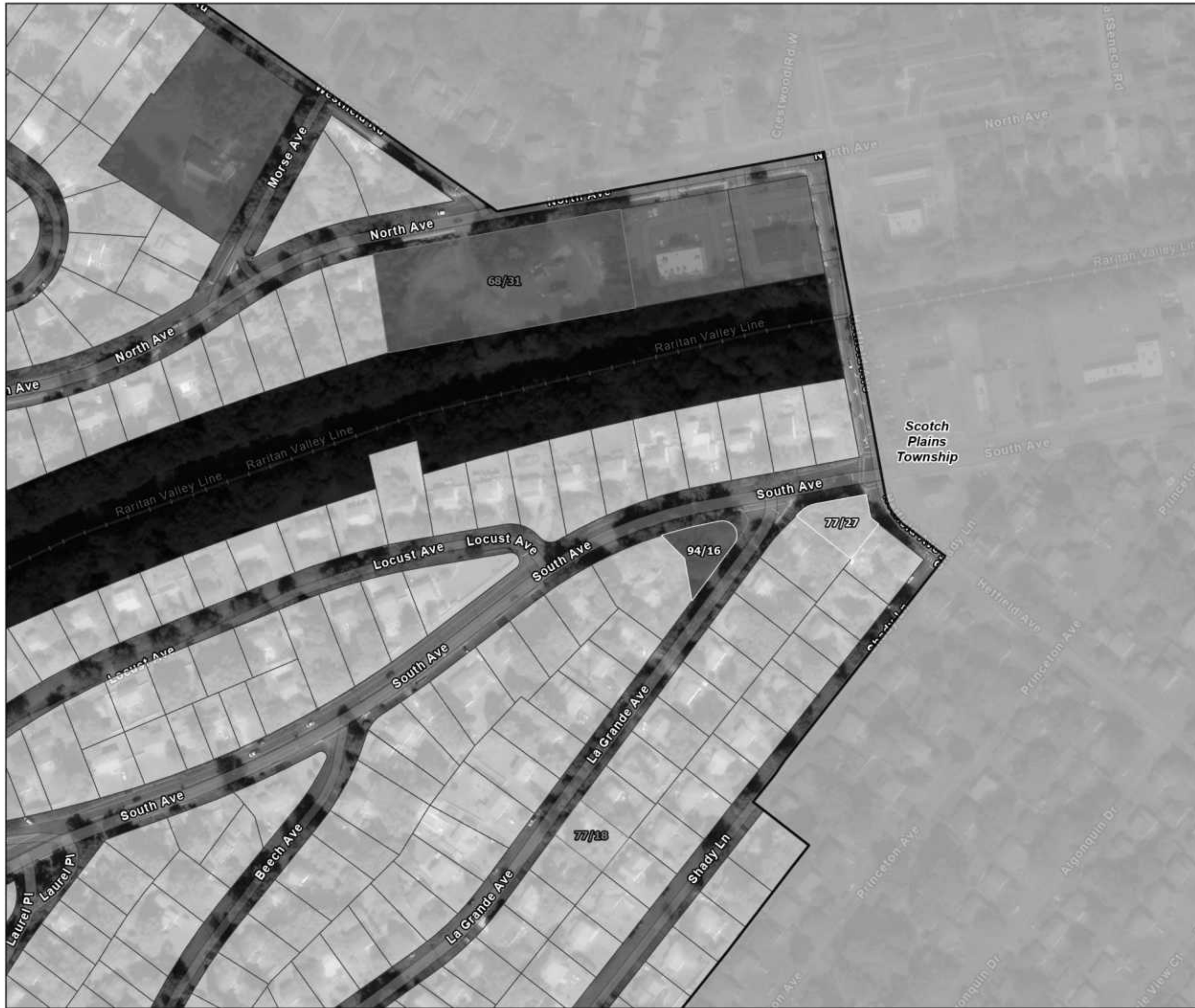












- Developed/Excluded
- Vacant
- Class 1 (Vacant)
- Class 2 (Residential)
- Class 4A (Commercial)
- Class 4B (Industrial)
- Class 5A (Class 1 Railroad)
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- Class 15D (Church and Charitable)
- Class 15F (Other Exempt)



180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
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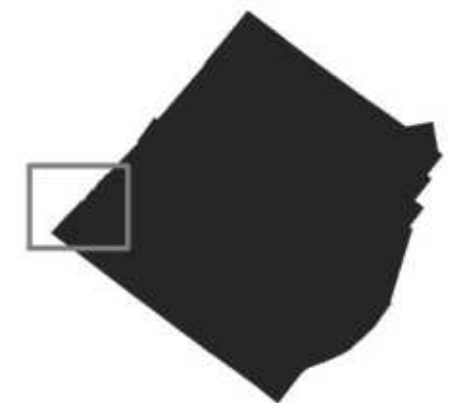
Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
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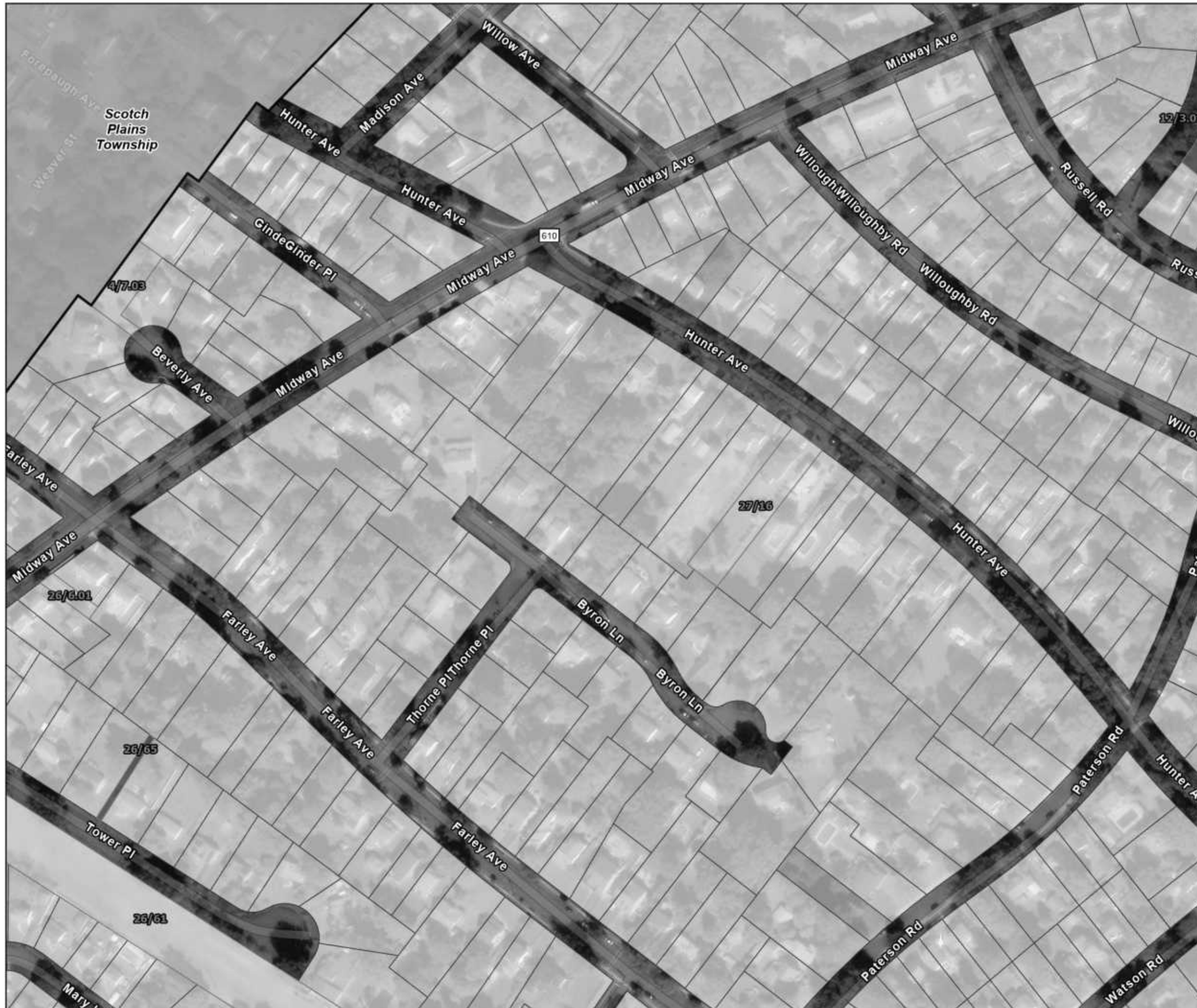


180
US Feet



A horizontal scale bar representing 180 US Feet.

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













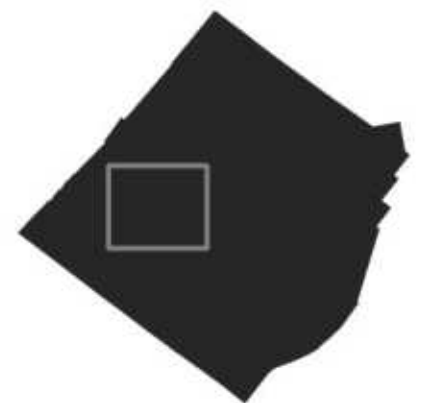
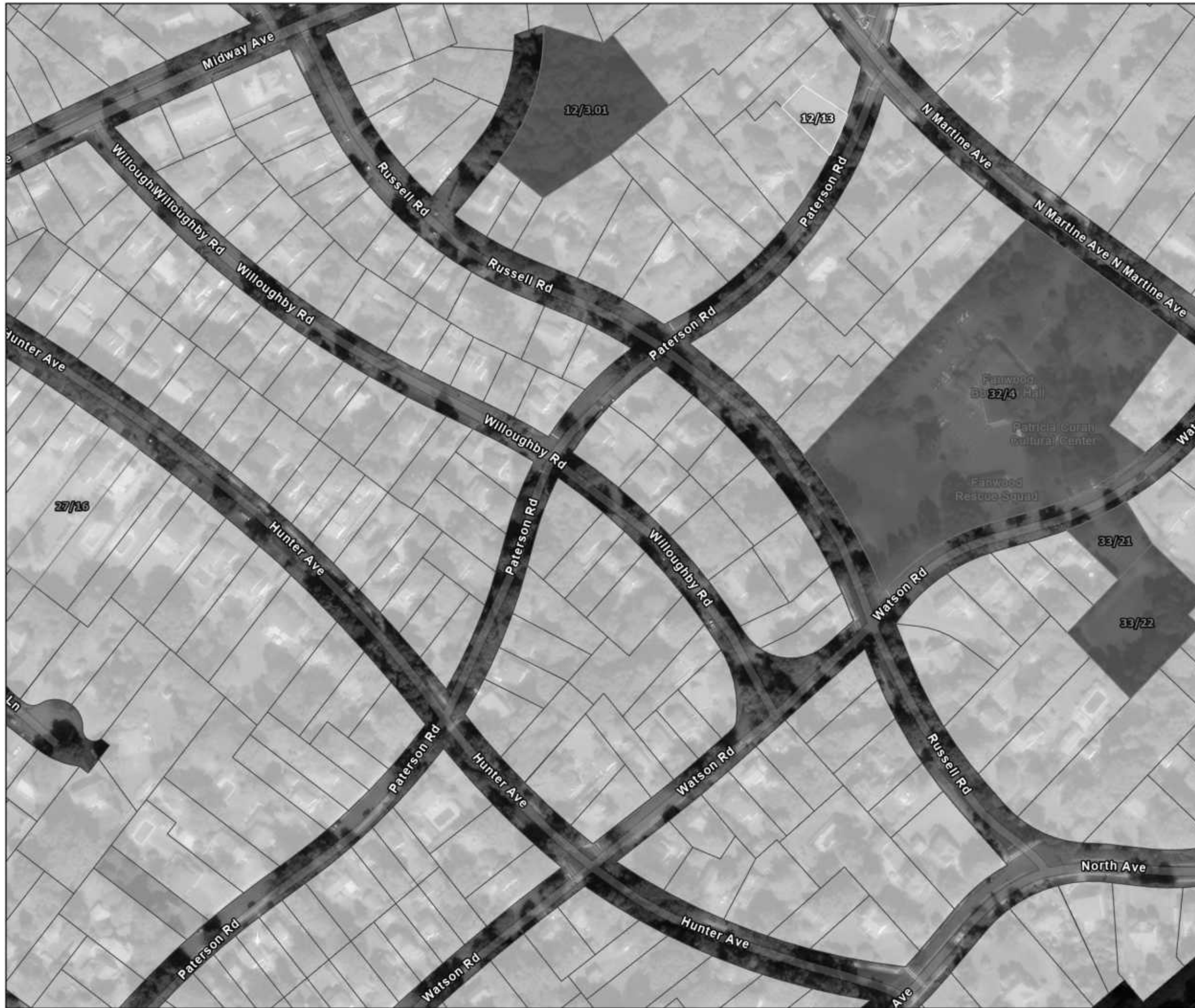
- Developed/Excluded
- Vacant
- Class 1 (Vacant)
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180
US Feet











**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

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180
US Feet



**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



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180
US Feet



A horizontal scale bar representing 180 US Feet.



**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













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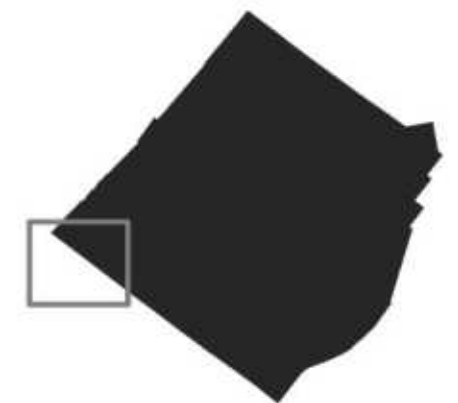
Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

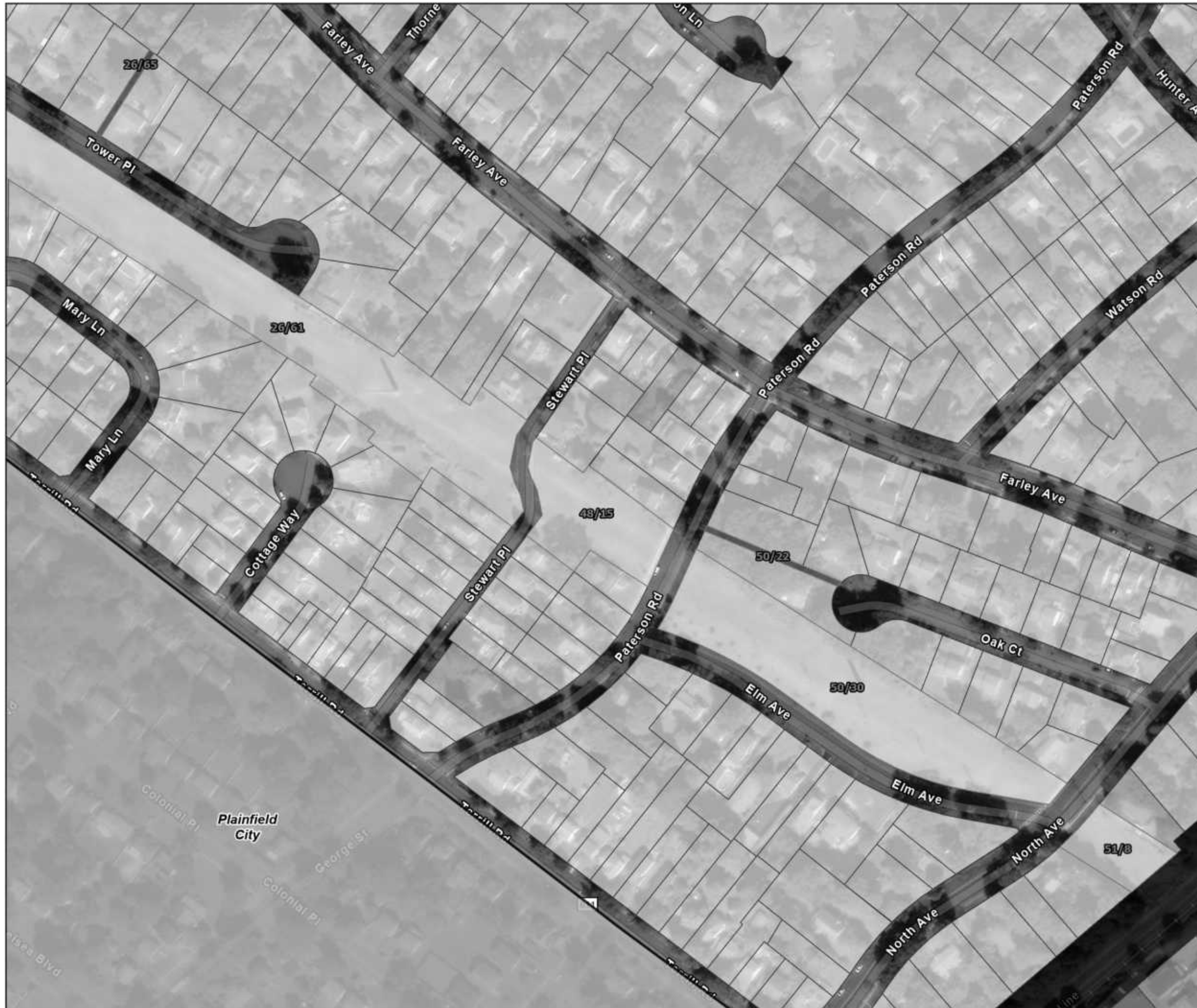
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180
US Feet



**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**











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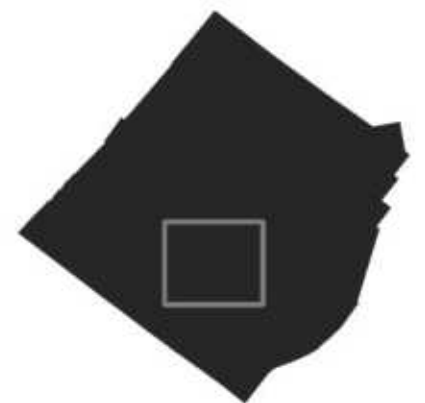
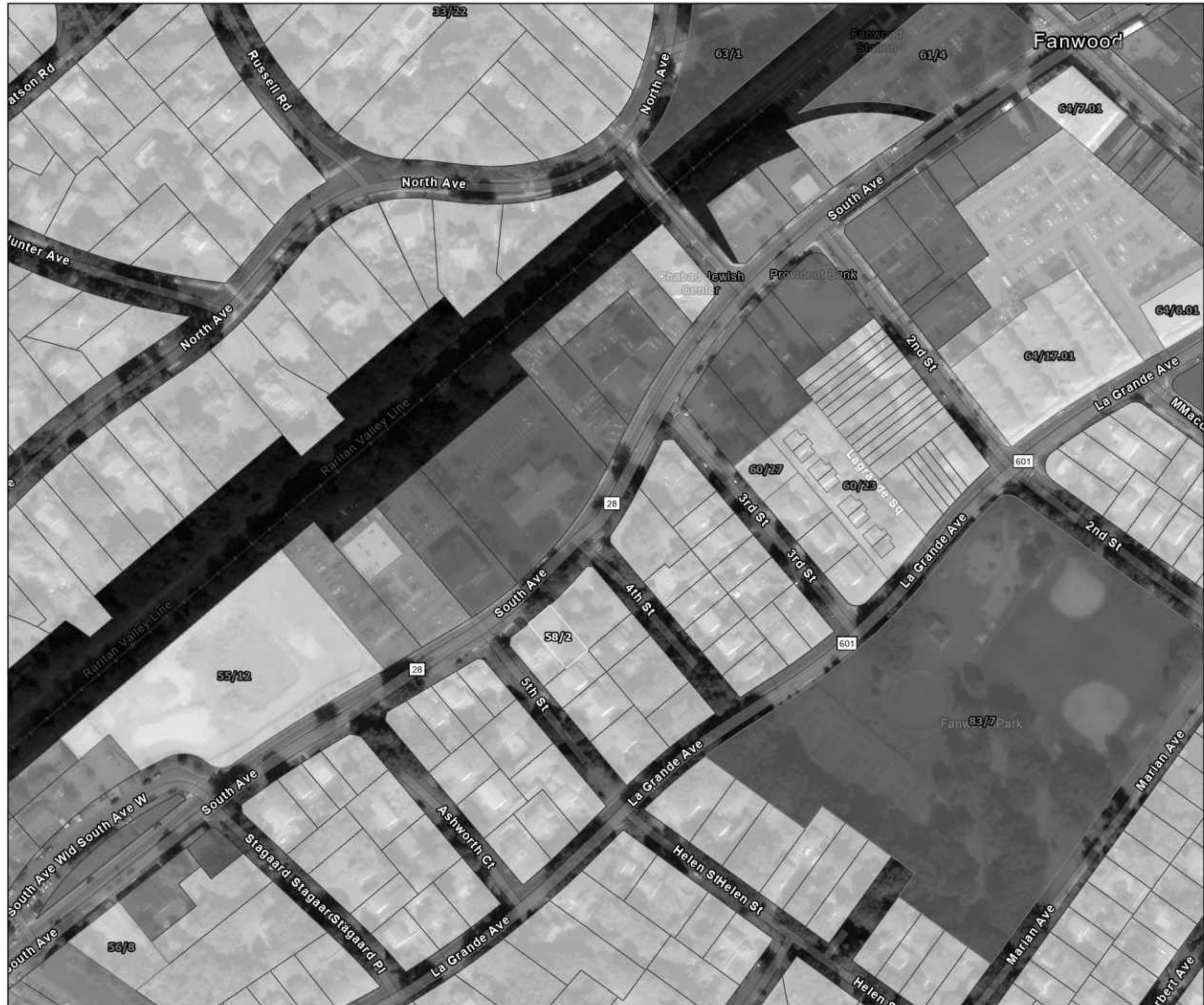


180
US Feet

Plainfield
City

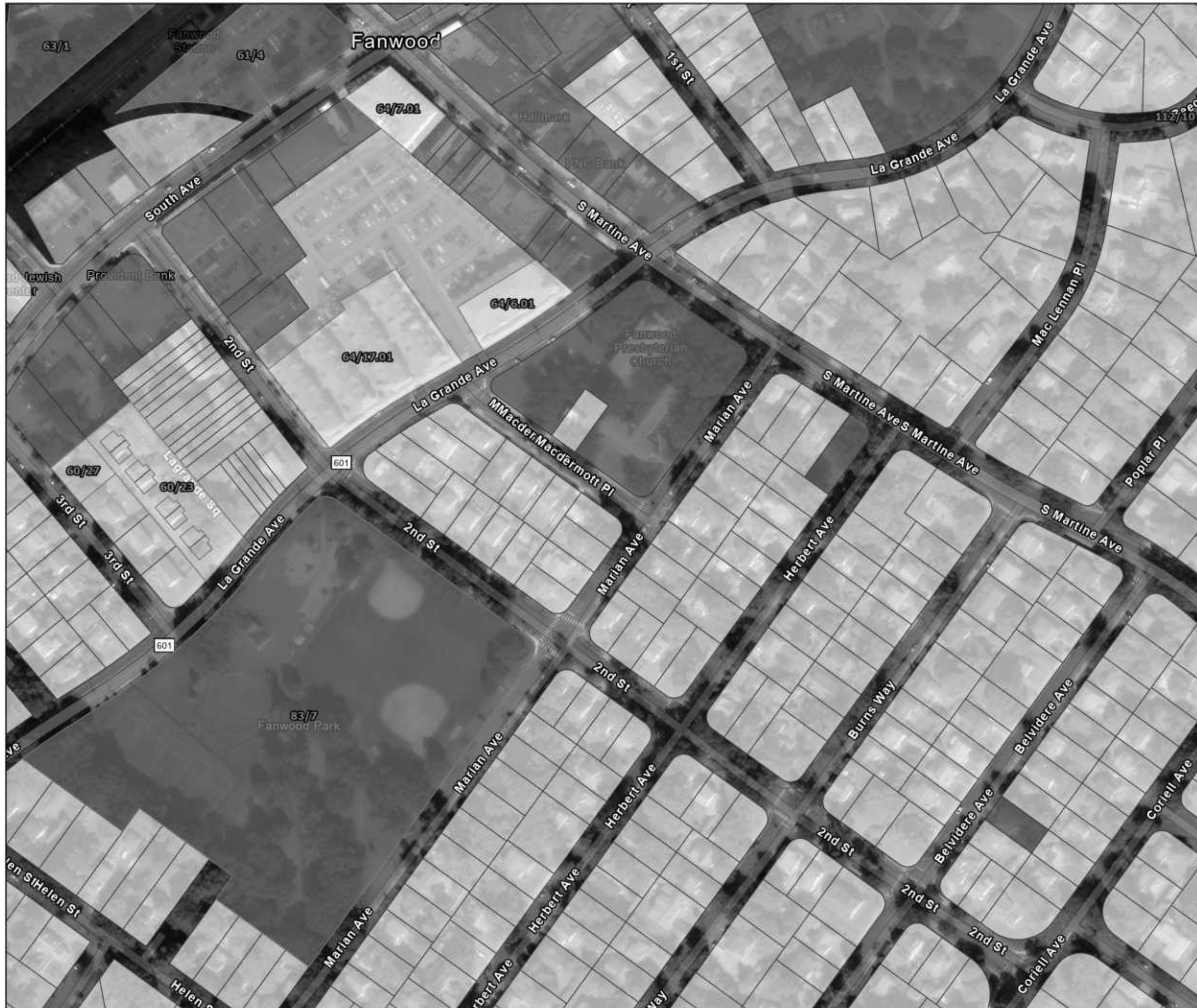
Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ











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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



-  Developed/Excluded
-  Vacant
-  Class 1 (Vacant)
-  Class 2 (Residential)
-  Class 4A (Commercial)
-  Class 4B (Industrial)
-  Class 5A (Class 1 Railroad)
-  Class 15C (Public)
-  Class 15D (Church and Charitable)
-  Class 15F (Other Exempt)



180
US Feet



**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













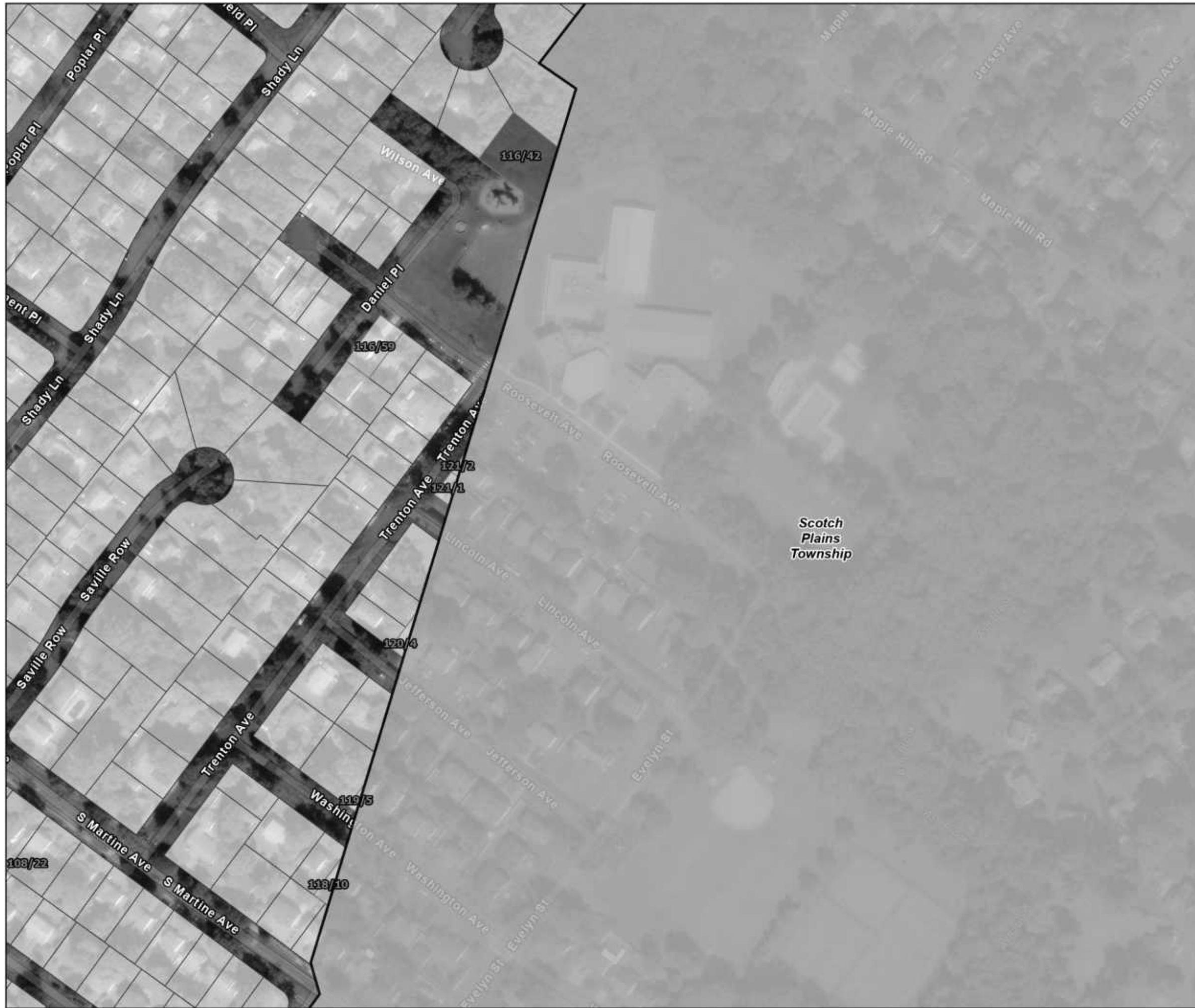
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180
US Feet











**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**

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180
US Feet

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180
US Feet

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180
US Feet

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MOD-IV Land Use Map
Fanwood Borough, NJ**



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- Class 15F (Other Exempt)



180
US Feet

Plainfield
City

Fanwood Park

83/7

55/12

56/8

81/49

81/23

78/42

78/23

78/25

78/29

99/23

100/21

100/32

Maxon

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













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180
US Feet

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Fanwood Borough, NJ**

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-  Class 15F (Other Exempt)



Scotch
Plains
Township













180
US Feet



Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ













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180
US Feet

Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ

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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**













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180
US Feet

**Vacant Land Adjustment
MOD-IV Land Use Map
Fanwood Borough, NJ**



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180
US Feet



Vacant Land Adjustment MOD-IV Land Use Map Fanwood Borough, NJ



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-  Class 15F (Other Exempt)



180
US Feet



Appendix E: Housing Unit Change at Census Block Level (2000 to 2020 US Census)



Vacant Land Adjustment Housing Unit Change Fanwood Borough, NJ

- 2000–2020 Change in Housing Units
- Decrease in Housing Unit Count
 - No Change in Housing Unit Count
 - ≤ 9-Unit Change in Housing Unit Count
 - > 9-Unit Change in Housing Unit Count


















Appendix F: Existing Zone Plan

Zoning Map









Adopted on: August 22, 2024

Legend

Zone Districts

-  Commercial Corridor District — Central (CC-C)
-  Commercial Corridor District — East (CC-E)
-  Commercial Corridor District — West (CC-W)
-  General Commercial District (GC)
-  Residential District (R-75)
-  Residential District (R-150)
-  LaGrande Affordable Housing District
-  Midway Affordable Housing District
-  Terrill Affordable Housing District
-  Block 64 Redevelopment Plan — Downtown Residential Redevelopment District (DTR)
-  Block 64 Redevelopment Plan — Rehabilitation Infill District (RID)
-  Block 64 Redevelopment Plan — Retail Residential District (RRD)
-  Block 64 Redevelopment Plan — Maximum Height Overlay District (MHO)
-  Block 64 Redevelopment Plan — Residential Overlay District (RO)
-  Old South Avenue Redevelopment Plan Overlay District (OLD)

Contextual Information

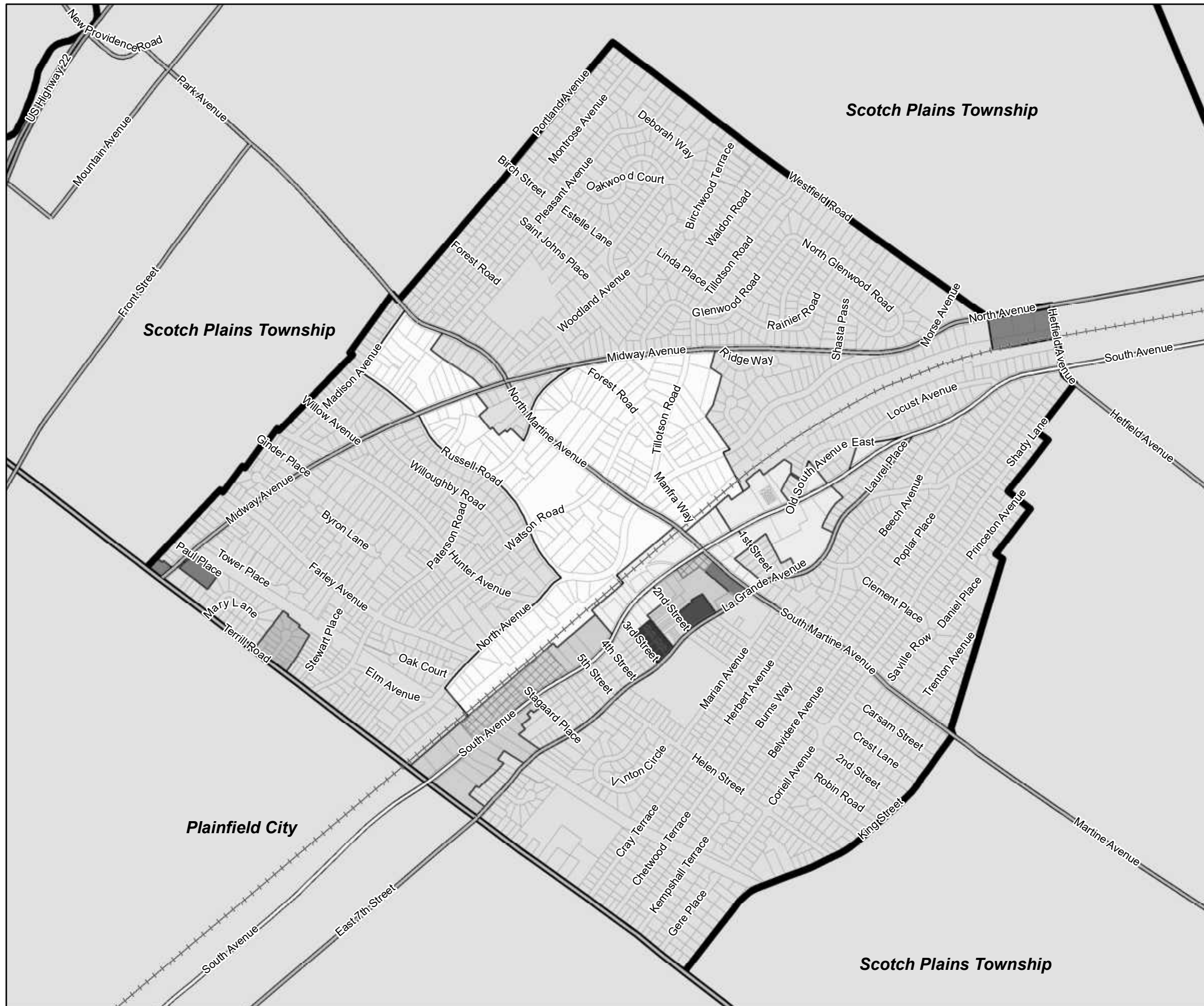
-  Municipal Boundary
-  Other Municipality
-  Tax Parcel
-  Railroad
-  Local Roadway (Connects Federal and County Routes)
-  County Route
-  State Route
-  Federal Route



0 450 900 Feet

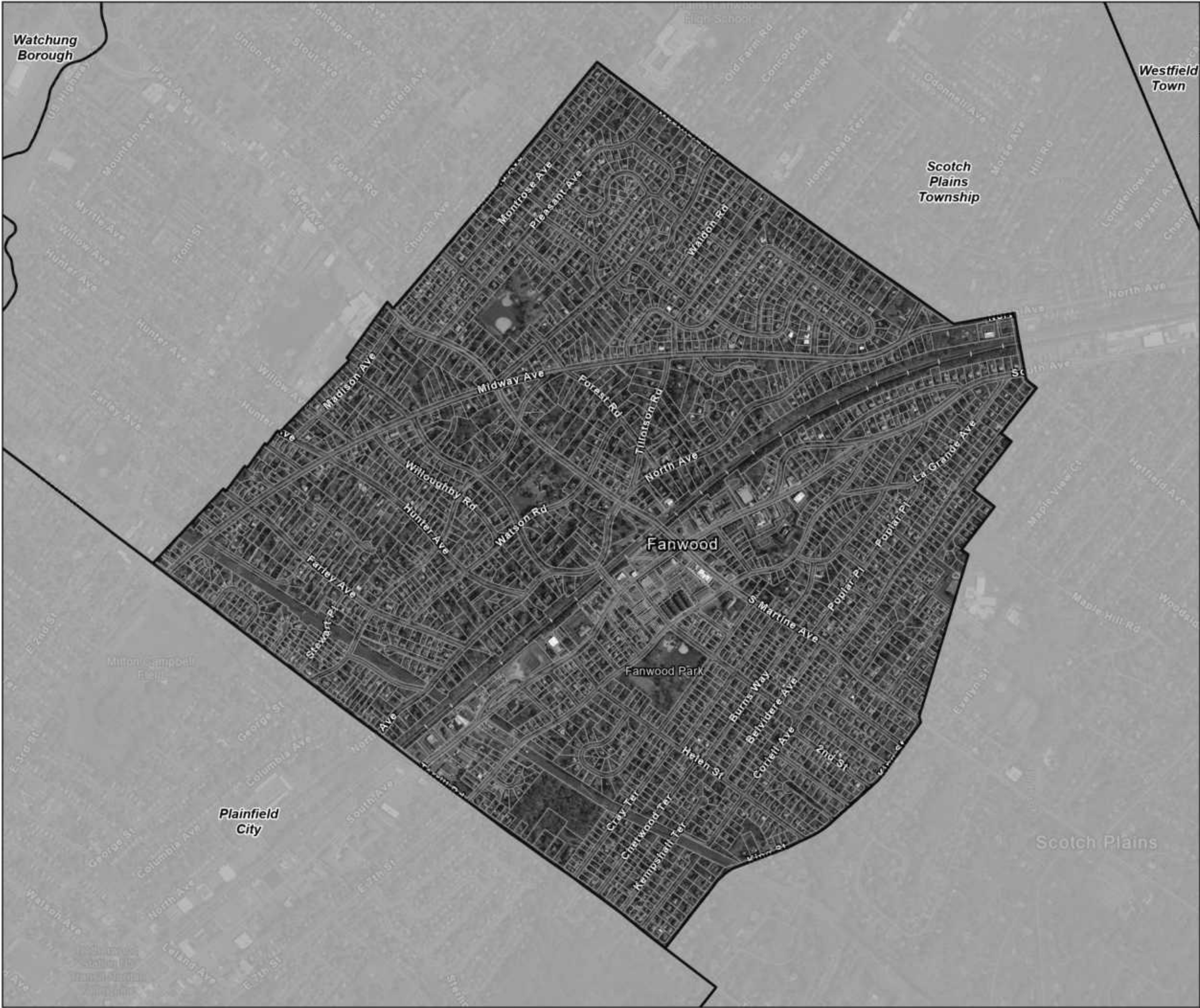


T&M Associates
 400 Broadacres Drive, Suite 250
 Bloomfield, NJ 07003
www.tandmassociates.com





Appendix G: 2020 NJDEP Aerial Mapping



**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



900
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**

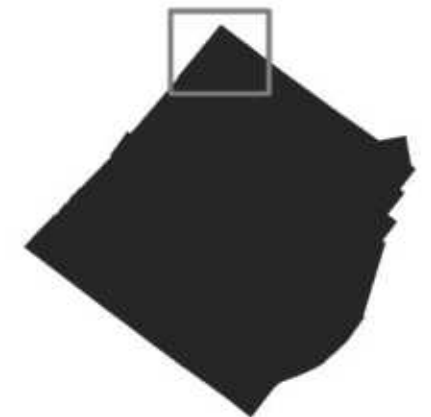


180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



180
US Feet

Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



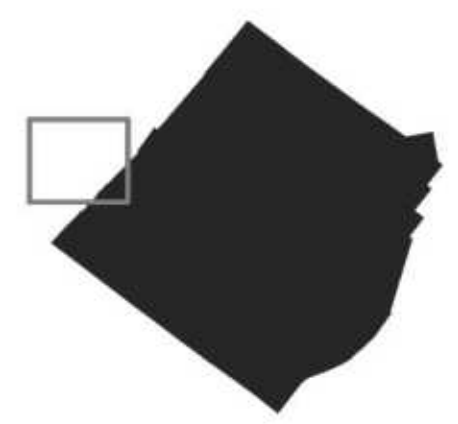
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**

Scotch
Plains
Township



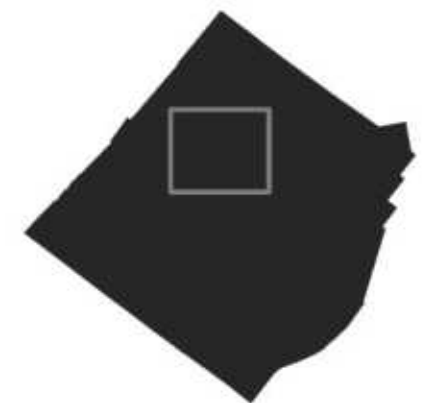
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ



180
US Feet

Fanwood
Memorial
Library

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**

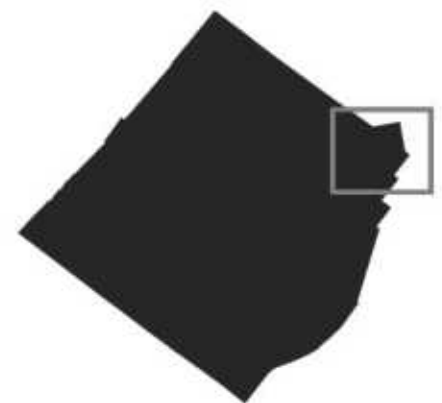


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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**

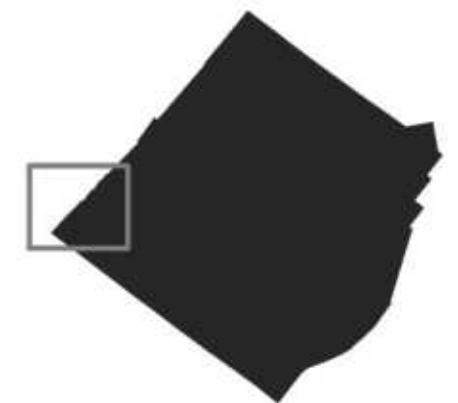


Scotch
Plains
Township



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



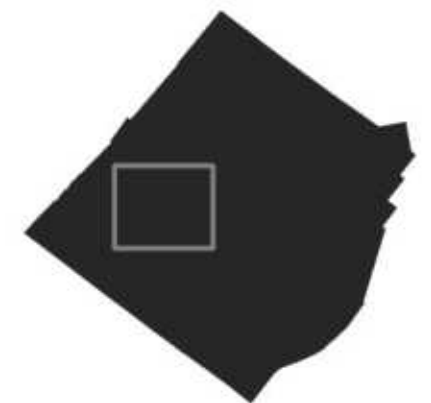
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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



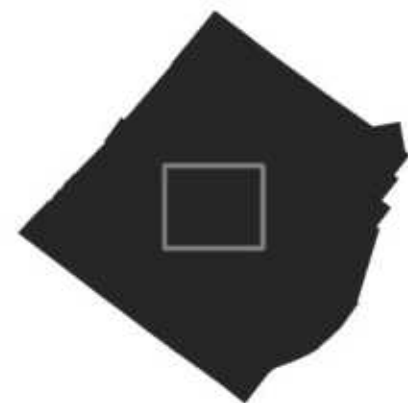
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



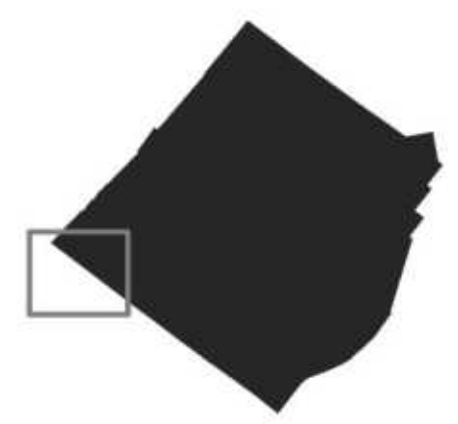
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Plainfield
City



180

US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



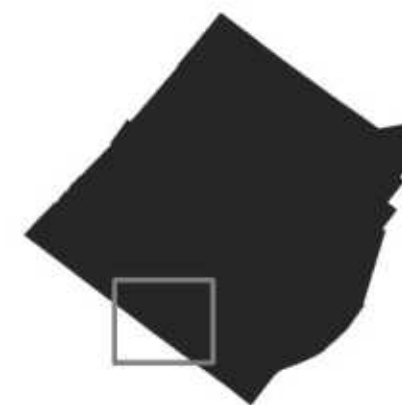
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



180
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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



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Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ



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**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2020 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet



Appendix H: 2002 NJDEP Aerial Mapping

Watchung
Borough

Westfield
Town

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**

Scotch
Plains
Township

Fanwood

Fanwood Park

Plainfield
City

Scotch Plains



900
US Feet



**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township

Forest Road
Building



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



Scotch
Plains
Township



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



Scotch
Plains
Township



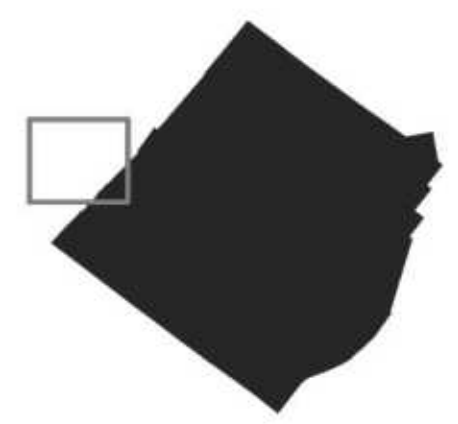
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



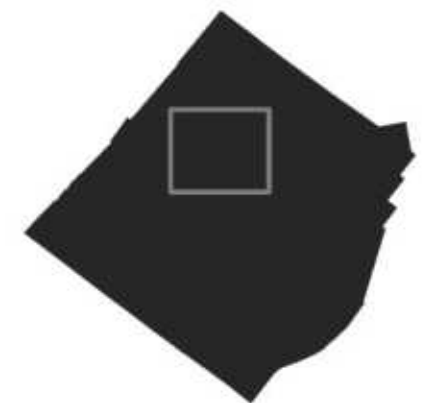
Scotch
Plains
Township

Forest Road
Building



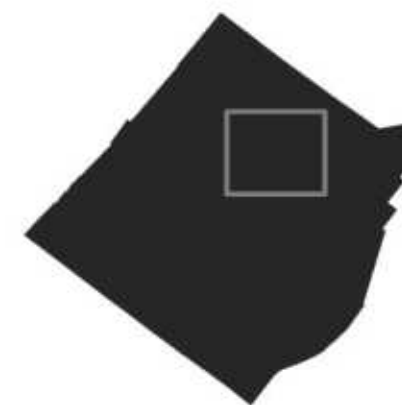
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



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US Feet

Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



Scotch
Plains
Township



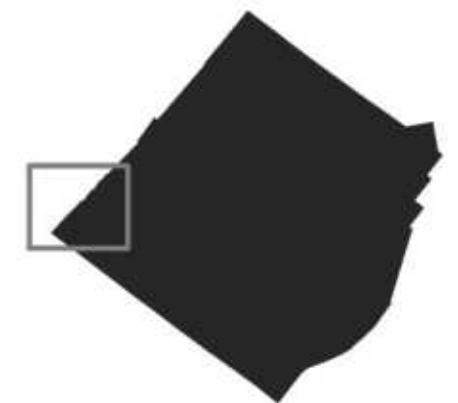
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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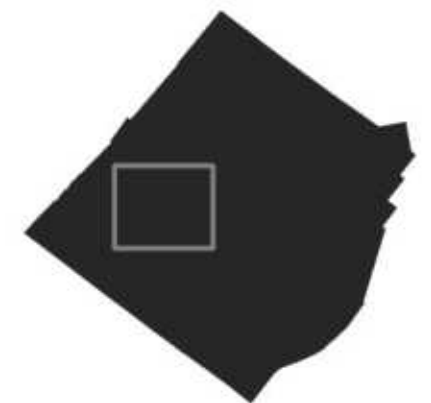


Scotch
Plains
Township



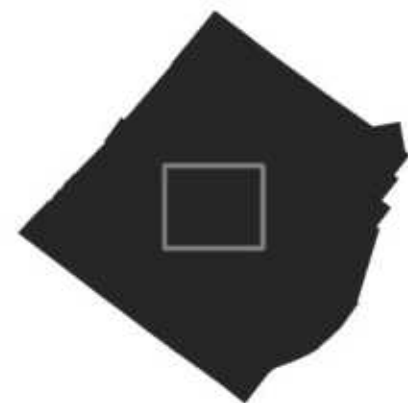
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



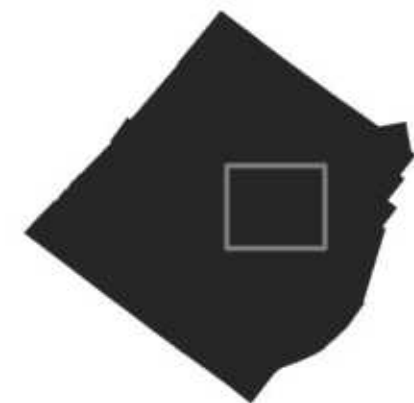
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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US Feet

Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



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Fanwood Borough, NJ**



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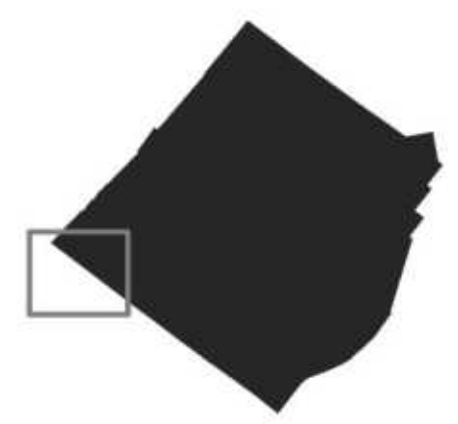
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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
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2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



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**Vacant Land Adjustment
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Fanwood Borough, NJ**



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Fanwood Borough, NJ**



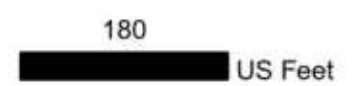
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Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



180
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Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
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2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



Plainfield
City



180
US Feet



**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet

**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



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Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ



180
US Feet

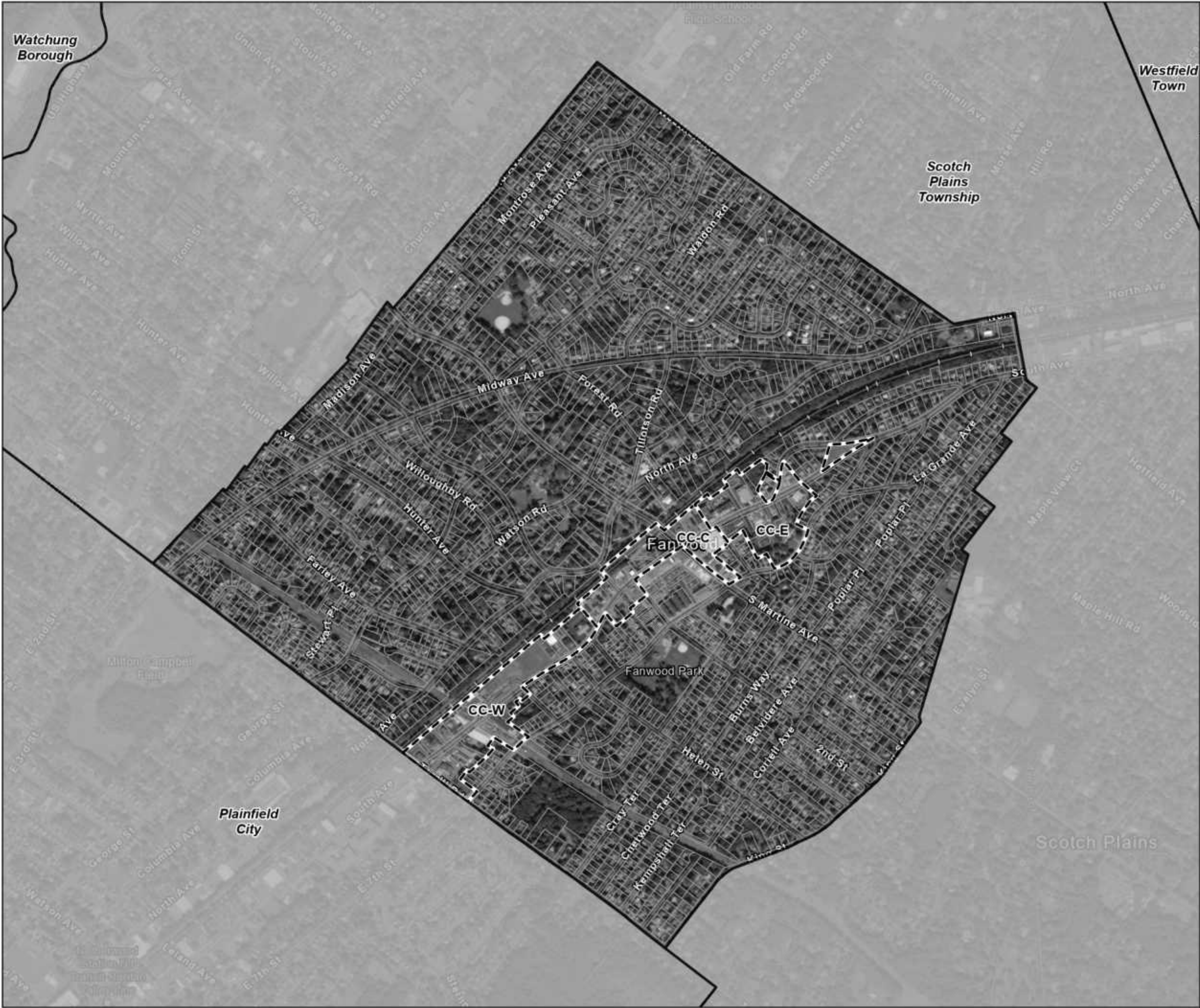
**Vacant Land Adjustment
2002 NJDEP Aerial Map
Fanwood Borough, NJ**



180
US Feet



Appendix I: Existing Inclusionary Development in the CC Zone



**Vacant Land Adjustment
Existing Development
CC Zone
Fanwood Borough, NJ**

-  CC Zone
-  105 South Avenue (Carano Square)
-  282 South Avenue (SoHo)
-  383 South Avenue
-  40 South Avenue
-  70 South Avenue







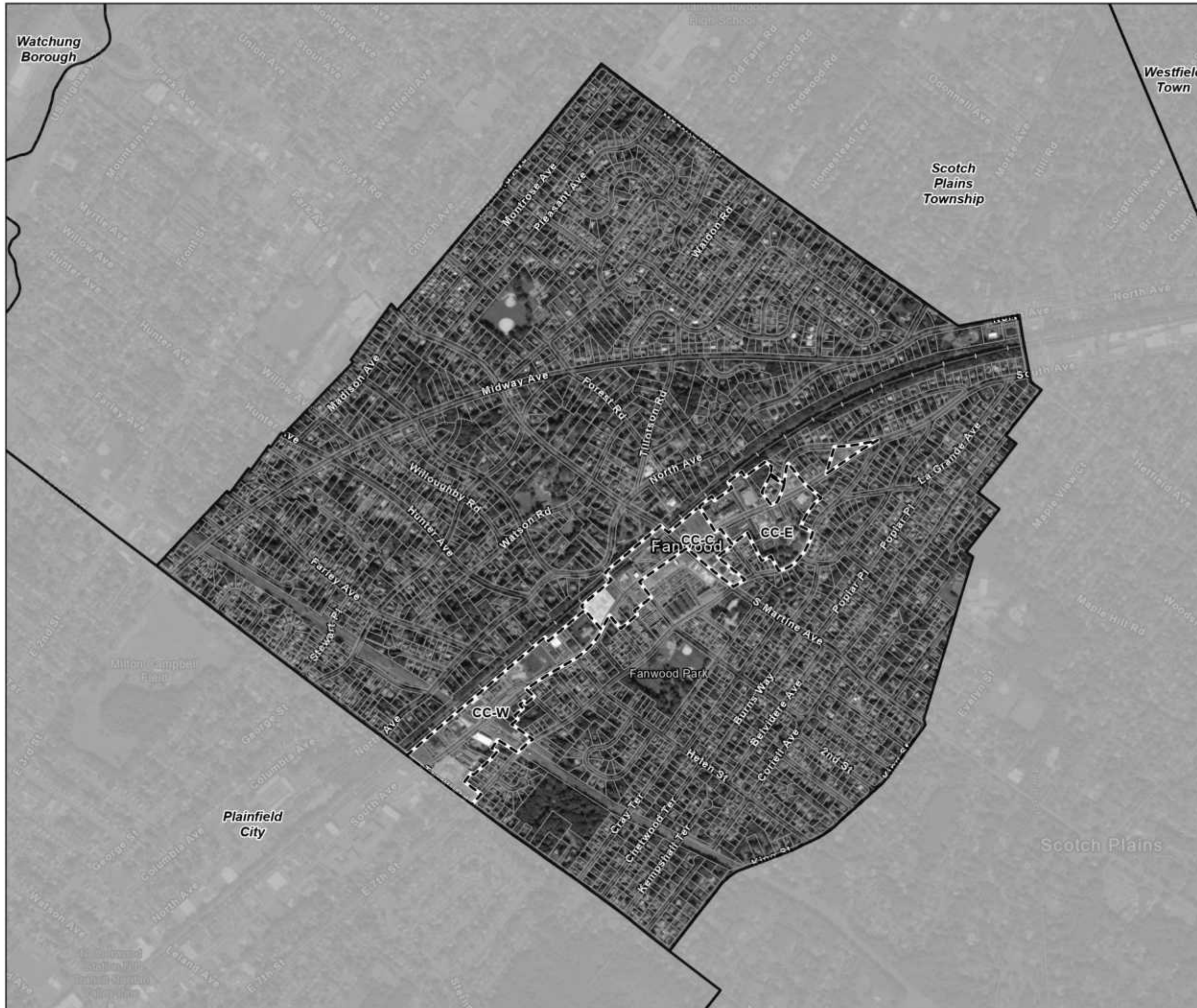
900
US Feet



Appendix J: Properties with Redevelopment Potential (Addressing Unmet Need)

**Vacant Land Adjustment
Potential Development Sites
CC Zone
Fanwood Borough, NJ**

-  CC Zone
-  1 South Avenue
-  183-191 South Avenue
-  193 South Avenue
-  2 South Avenue
-  265-275 South Avenue



900
US Feet

Appendix B: Affordable Housing Ordinance

ORDINANCE NO. _____

ORDINANCE OF THE BOROUGH OF FANWOOD, COUNTY OF UNION, STATE OF NEW JERSEY,
AMENDING THE BOROUGH CODE

WHEREAS, the State of New Jersey has adopted an Amended Fair Housing Act at P.L. 2024, c. 2 (A4) which provides new Fourth Round affordable housing fair share requirements for each municipality; and

WHEREAS, the State has adopted new Fourth Round substantive affordable housing regulations at N.J.A.C. 5:99; and

WHEREAS, The New Jersey Department of Community Affairs (DCA) and the Housing and Mortgage Finance Agency (NJHMFA) have adopted new Uniform Housing and Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq; and

WHEREAS, in order to maintain compliance with said state regulations regarding affordable housing, the Borough of Fanwood (the “Borough”) must amend certain sections of the Borough Code; and

WHEREAS, Chapter 105, Section 184-124.1 and 184-43 contain requirements for affordable housing provisions based on previous COAH regulations and regulations regarding affordable housing and development fees; and **NOW, THEREFORE, BE IT ORDAINED**, by the Borough Council of the Borough of Fanwood, County of Union, State of New Jersey, that Chapter 105, and Sections 184-124.1 and 184-43 of the Borough Code are hereby repealed and replaced as follows:

105-1 Introduction & Applicability

- A. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the Borough of Fanwood consistent with the provisions outlined in P.L 2024, Chapter 2, including the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).
- B. This Ordinance is intended to ensure that very low-, low- and moderate-income units (“affordable units”) are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the provisions set forth below in item E(3) below.

- C. The Fanwood Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the Borough shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
- D. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.
- E. Applicability
 - (1) The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the Borough's most recently adopted HEFSP.
 - (2) This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.
 - (3) Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

105-2 Definitions

As used herein the following terms shall have the following meanings:

“Accessory apartments” means a residential dwelling unit that provides complete independent living facilities with a private entrance for one or more persons, consisting of provisions for living, sleeping, eating, sanitation, and cooking, including a stove and refrigerator, and is located within a proposed preexisting primary dwelling, within an existing or proposed structure that is an accessory to a dwelling on the same lot, constructed in whole or part as an extension to a proposed or existing primary dwelling, or constructed as a separate detached structure on the same lot as the existing or proposed primary dwelling. Accessory apartments are also referred to as “accessory dwelling units”.

“Act” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Adaptable” means constructed in compliance with the technical design standards of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the “State Uniform Construction Code Act,” P.L.1975, c. 217 (C.52:27D-119 et seq.) and in accordance with the provisions of section 5 of P.L.2005, c. 350 (C.52:27D-123.15).

“Administrative agent” means the entity approved by the Division responsible for the administration of affordable units, in accordance with N.J.A.C. 5:99-7, and UHAC at N.J.A.C. 5:80-26.15.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.16.

“Affirmative Marketing Plan” means the municipally adopted plan of strategies from which the administrative agent will choose to implement as part of the Affirmative Marketing requirements.

“Affirmative Marketing Process” or “Program” means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low- low- and moderate-income units. “Affordability assistance” means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner’s association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5.

“Affordability average” means an average of the percentage of regional median income at which restricted units in an affordable development are affordable to low- and moderate-income households.

“Affordable” means, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

“Affordable housing development” means a development included in a Borough’s housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP. Payments in lieu of construction were invalidated per P.L. 2024, c.2.

“Affordable Housing Dispute Resolution Program” or “the Program” refers to the dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

“Affordable Housing Monitoring System” or “AHMS” means the Department’s cloud-based software application, which shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

“Affordable Housing Trust Fund” or “AHTF” means that non-lapsing, revolving trust fund established in DCA pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes. All references to the “Neighborhood Preservation Nonlapsing Revolving Fund” and “Balanced Housing” mean the AHTF.

“Affordable unit” means a housing unit proposed or developed pursuant to the Act, including, but not limited to, units created with municipal affordable housing trust funds.

“Age-restricted housing” means a housing unit that is designed to meet the needs of, and is exclusively for, an age-restricted segment of the population such that: 1. All the residents of

the development where the unit is situated are 62 years or older; 2. At least 80 percent of the units are occupied by one person that is 55 years or older; or 3. The development has been designated by the Secretary of HUD as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L.1983, c. 530 (C.55:14K-1 et seq.).

“Assisted living residence” means a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to ensure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor. Apartment units must offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette, and a lockable door on the unit entrance.

“Barrier-free escrow” means the holding of funds collected to adapt affordable unit entrances to be accessible in accordance with N.J.S.A. 52:27D-311a et seq. Such funds shall be held in a municipal affordable housing trust fund pursuant to N.J.A.C. 5:99-2.6.

“Builder’s remedy” means court-imposed site-specific relief for a litigant who seeks to build affordable housing for which the court requires a municipality to utilize zoning techniques, such as mandatory set-asides or density bonuses, including techniques which provide for the economic viability of a residential development by including housing that is not for low- and moderate-income households.

“Certified household” means a household that has been certified by an administrative agent as a very-low-income household, a low-income household, or a moderate-income household.

“CHOICE” means the no-longer-active Choices in Homeownership Incentives for Everyone Program, as it was authorized by the Agency.

“COAH” or the “Council” means the Council on Affordable Housing established in, but not of, DCA pursuant to the Act and that was abolished effective March 20, 2024, pursuant to section 3 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1).

“Commissioner” means the Commissioner of the Department of Community Affairs.

“Compliance certification” means the certification obtained by a municipality pursuant to section 3 of P.L.2024, c. 2 (C.52:27D-304.1), that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a “judgment of compliance” or “judgment of repose.” The term “compliance certification” shall include a judgment of repose granted in an action filed pursuant to section 13 of P.L.1985, c. 222 (C.52:27D-313).

“Construction” means new construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217(N.J.S.A. 52:27D-119 et seq.).

“County-level housing judge” means a judge appointed pursuant to section 5 at P.L. 2024, c. 2, to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal Fair Share plans and housing elements with the Act.

“DCA” and “Department” mean the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Department” means the New Jersey Department of Community Affairs.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any building or other structure, or of any mining, excavation, or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

“Development fee” means money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

“Dispute Resolution Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-313.2).

“Division” means the Division of Local Planning Services within the Department of Community Affairs.

“Emergent opportunity” means a circumstance that has arisen whereby affordable housing will be able to be produced through a delivery mechanism not originally contemplated by or included in a fair share plan that has been the subject of a compliance certification.

“Equalized assessed value” or “EAV” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 at P.L. 1973, c. 123 (N.J.S.A. 54:1-35a, 54:1-35b, and 54:1-35c). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

“Equity share amount” means the product of the price differential and the equity share, with the equity share being the whole number of years that have elapsed since the last non-exempt sale of a restricted ownership unit, divided by 100, except that the equity share may not be less than five percent and may not exceed 30 percent.

“Exit sale” means the first authorized non-exempt sale of a restricted unit following the end of the control period, which sale terminates the affordability controls on the unit.

“Exclusionary zoning litigation” means litigation challenging the fair share plan, housing element, ordinances, or resolutions that implement the fair share plan or housing element of a municipality based on alleged noncompliance with the Act or the Mount Laurel doctrine, which litigation shall include, but shall not be limited to, litigation seeking a builder’s remedy.

“Extension of expiring controls” means extending the deed restriction period on units where the controls will expire in the current round of a housing obligation, so that the total years of a deed restriction is at least 60 years.

“Fair share obligation” means the total of the present need and prospective need, including prior rounds, as determined by the Affordable Housing Dispute Resolution Program, or a court of competent jurisdiction.

“Fair share plan” means the plan or proposal, with accompanying ordinances and resolutions, by which a municipality proposes to satisfy its constitutional obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and which addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.

“FHA” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Green Building Strategies” means the strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

“HMFA” or “the Agency” means the New Jersey Housing and Mortgage Finance Agency established pursuant to P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.).

“Household income” means a household’s gross annual income calculated in a manner consistent with the determination of annual income pursuant to section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for Federal income tax liability.

“Housing element” means the portion of a municipality’s master plan adopted in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28.b(3) and the Act consisting of reports, statements proposals, maps, diagrams, and text designed to meet the municipality’s fair share of its region’s present and prospective housing needs, particularly with regard to low- and moderate-income housing, which shall include the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. at N.J.S.A. 52:27D-304.1.

“Housing region” means a geographic area established pursuant to N.J.S.A. 52:27D-304.2b.

“Inclusionary development” means a residential housing development in which a substantial percentage of the housing units are provided for a reasonable income range of low- and moderate- income households.

“Judgment of compliance” or “judgment for repose” means a determination issued by the Superior Court approving a municipality’s fair share plan to satisfy its affordable housing obligation for a particular 10-year round.

“Low-income household” means a household with a household income equal to 50 percent or less of the regional median income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Mixed use development” means any development that includes both a non-residential development component and a residential development component, and shall include developments for which: (1) there is a common developer for both the residential development component and the non-residential development component, provided that for purposes of this definition, multiple persons and entities may be considered a common developer if there is a contractual relationship among them obligating each entity to develop at least a portion of the residential or non-residential development, or both, or otherwise to contribute resources to the development; and (2) the residential and non-residential developments are located on the same lot or adjoining lots, including, but not limited to, lots separated by a street, a river, or another geographical feature.

“Moderate-income household” means a household with a household income in excess of 50 percent but less than 80 percent of the regional median income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“MONI” means the no-longer-active Market Oriented Neighborhood Investment Program, as it was authorized by the Agency.

“Municipal housing liaison” or “MHL” means an appointed municipal employee who is, pursuant to N.J.A.C. 5:99-6, responsible for oversight and/or administration of the affordable units created within the municipality.

“Municipal affordable housing trust fund” means a separate, interest-bearing account held by a municipality for the deposit of development fees, payments in lieu of constructing affordable units on sites zoned for affordable housing previously approved prior to March 20, 2024 (per P.L. 2024, c.2), barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds remaining from a completed RCA project, application fees, and any other funds collected by the municipality in connection with its affordable housing programs, which shall be used to address municipal low- and moderate-income housing obligations within the time frames established by the Legislature and this chapter.

“Municipal development fee ordinance” means an ordinance adopted by the governing body of a municipality that authorizes the collection of development fees.

“New construction” means the creation of a new housing unit under regulation by a code enforcement official regardless of the means by which the unit is created. Newly constructed units are evidenced by the issuance of a certificate of occupancy and may include new residences created through additions and alterations, adaptive reuse, subdivision, or conversion of existing space, and moving a structure from one location to another.

“New Jersey Affordable Housing Trust Fund” means an account established pursuant to N.J.S.A. 52:27D-320.

“New Jersey Housing Resource Center” or “Housing Resource Center” means the online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

“95/5 restriction” means a deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

“Non-exempt sale” means any sale or transfer of ownership of a restricted unit to one’s self or to another individual other than the transfer of ownership between spouses or civil union partners; the transfer of ownership between former spouses or civil union partners ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary; and the transfer of ownership by court order.

“Nonprofit” means an organization granted nonprofit status in accordance with section 501(c)(3) of the Internal Revenue Code.

“Non-residential development” means:

Any building or structure, or portion thereof, including, but not limited to, any appurtenant improvements, which is designated to a use group other than a residential use group according to the State Uniform Construction Code, N.J.A.C. 5:23, promulgated to effectuate the State uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., including any subsequent amendments or revisions thereto;

Hotels, motels, vacation timeshares, and child-care facilities; and

The entirety of all continuing care facilities within a continuing care retirement community which is subject to the Continuing Care Retirement Community Regulation and Financial Disclosure Act, N.J.S.A.52:27D-330 et seq.

“Non-residential development fee” means the fee authorized to be imposed pursuant to N.J.S.A. 40:55D-8.1 through 40:55D-8.7.

“Order for repose” means the protection a municipality has from a builder’s remedy lawsuit for a period of time from the entry of a judgment of compliance by the Superior Court. A judgment of compliance often results in an order for repose.

“Payment in lieu of constructing affordable units” means the prior approval of the payment of funds to the municipality by a developer when affordable units were not produced on a site zoned for an inclusionary development. The statutory permission for payments in lieu of constructing affordable units was eliminated per P.L. 2024, c.2.

“Prospective need” means a projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations.

“Qualified Urban Aid Municipality” means a municipality that meets the criteria established pursuant to N.J.S.A. 52:27D-304.3.c(1).

“Person with a disability” means a person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

“Price differential” means the difference between the controlled sale price of a restricted unit and the contract price at the exit sale of the unit, determined as of the date of a proposed contract of sale for the unit. If there is no proposed contract of sale, the price differential is the difference between the controlled sale price of a restricted unit and the appraised value of the unit as if it were not subject to UHAC, determined as of the date of the appraisal. If the controlled sale price exceeds the contract price or, in the absence of a contract price, the appraised value, the price differential is zero dollars.

“Prior round unit” means a housing unit that addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations, including any unit that: (1) received substantive certification from COAH; (2) is part of a third-round settlement agreement or judgment of compliance approved by a court of competent jurisdiction, inclusive of units created pursuant to a zoning designation adopted as part of the settlement agreement or judgment of compliance to create a realistic opportunity for development; (3) is subject to a grant agreement or other contract with either the State or a political subdivision thereof entered into prior to July 1, 2025, pursuant to either item (1) or (2) above; or (4) otherwise addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations. A unit created after the enactment of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1) on March 20, 2024, is not a prior round unit unless: (1) it is created pursuant to a prior round development plan or zoning designation that received COAH or court approval on or before the cutoff date of June 30, 2025, or the date that the municipality adopts the implementing ordinances and resolutions for the fourth round of affordable housing obligations, whichever occurs sooner; and (2) its siting and creation are consistent with the form of the prior round development plan or zoning designation in effect as of the cutoff date, without any amendment or variance.

“Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 of P.L.2024, c. 2 (C.52:27D-313.2).

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit; or another purpose allowed

pursuant to N.J.A.C. 5:80-26.7(k)3. This definition excludes any practices that would allow affordable housing units to be leased or sold on a first-come, first-served basis.

“RCA administrator” means an appointed municipal employee who is responsible for oversight and/or administration of affordable units and associated revenues and expenditures within the municipality that were funded through regional contribution agreements.

“RCA project plan” means a past application, submitted by a receiving municipality in an RCA, delineating the manner in which the receiving municipality intended to create or rehabilitate low- and moderate-income housing.

“Receiving municipality” means, for the purposes of an RCA, a municipality that contractually agreed to assume a portion of another municipality’s fair share obligation.

“Reconstruction” means any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied, pursuant to the Rehabilitation Subcode of the uniform Construction Code, N.J.A.C. 5:23-6. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.

“Recreational facilities and community centers” means any indoor or outdoor buildings, spaces, structures, or improvements intended for active or passive recreation, including, but not limited to, ballfields, meeting halls, and classrooms, accommodating either organized or informal activity.

“Regional contribution agreement” or “RCA” means a contractual agreement, pursuant to the Act, into which two municipalities voluntarily entered into and was approved by COAH and/or Superior Court prior to July 18, 2008, to transfer a portion of a municipality’s affordable housing obligation to another municipality within its housing region.

“Regional median income” means the median income by household size for an applicable housing region, as calculated annually in accordance with N.J.A.C. 5:80-26.3.

“Rehabilitation” means the repair, renovation, alteration, or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. With respect to units in assisted living residences, rent does not include charges for food and services.

“Residential development fee” means money paid by a developer for the improvement of residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:99-3.2.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of this subchapter but does not include a market-rate unit that was financed pursuant to UHORP, MONI, or CHOICE.

“Spending plan” means a method of allocating funds contained in an affordable housing trust fund account, which includes, but is not limited to, development fees collected and to be collected pursuant to an approved municipal development fee ordinance, or pursuant to N.J.S.A. 52:27D-329.1 et seq., for the purpose of meeting the housing needs of low- and moderate-income individuals.

“State Development and Redevelopment Plan” or “State Plan” means the plan prepared pursuant to sections 1 through 12 of the “State Planning Act,” P.L.1985, c. 398 (C.52:18A-196 et al.), designed to represent a balance of development and conservation objectives best suited to meet the needs of the State, and for the purpose of coordinating planning activities and establishing Statewide planning objectives in the areas of land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination pursuant to subsection f. of section 5 of P.L.1985, c. 398 (C.52:18A-200).

“Supportive housing household” means a very low-, low- or moderate-income household certified as income eligible by an administrative agent in accordance with N.J.A.C. 5:80-26.14, in which at least one member is an individual who requires supportive services to maintain housing stability and independent living and who is part of a population identified by federal or state statute, regulation, or program guidance as eligible for supportive or special needs housing. Such populations include, but are not limited to: persons with intellectual or developmental disabilities, persons with serious mental illness, person with head injuries (as defined in Section 2 of P.L. 1977), persons with physical disabilities or chronic health conditions, persons who are homeless as defined by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 578, survivors of domestic violence, youth aging out of foster care, and other special needs populations recognized under programs administered by the U.S. Department of Housing and Urban Development, the Low-Income Housing Tax Credit Program, the McKinney–Vento Act, or the New Jersey Department of Human Services. A supportive housing household may include family members, unrelated individuals, or live-in aides, provided that the household meets the income eligibility requirements of this subchapter, except that in the case of unrelated individuals not operating as a family unit, income eligibility shall be tested on an individual basis rather than in the aggregate; the unit is leased or sold subject to the affordability controls established herein; and the supportive services available to the household are designed to promote housing stability, independent living, and community integration. The determination of whether unrelated individuals are operating as a family unit shall be made based on the applicant’s self-identification of household members on the affordable housing application.

“Supportive housing sponsoring program” means grant or loan program which provided financial assistance to the development of the unit.

“Supportive housing unit” means a restricted rental unit, as defined by N.J.S.A. 34:1B-21.24, that is affordable to very low-, low- or moderate-income households and is reserved for occupancy by a supportive housing household. Supportive housing units are also referred to as permanent supportive housing units.

“Transitional housing” means temporary housing that: (1) includes, but is not limited to, single-room occupancy housing or shared living and supportive living arrangements; (2) provides access to on-site or off-site supportive services for very low-income households who have recently been homeless or lack stable housing; (3) is licensed by the department; and (4) allows households to remain for a minimum of six months.

“Treasurer” means the Treasurer of the State of New Jersey.

“UHAC” means the Uniform Housing Affordability Controls set forth at N.J.A.C. 5:80-26.

“UHORP” means the Agency’s Urban Homeownership Recovery Program, as it was authorized by the Agency Board.

“Unit type” means type of dwelling unit with various building standards including but not limited to single-family detached, single-family attached/townhouse, stacked townhouse (attached building containing 2 units each with separate entrances), duplex (detached building containing 2 units each with separate entrances), triplex (3 units each with separate entrance), quadplex (4 units each with separate entrance), multifamily / flat (2 or more units with a shared entrance). Inclusion of a garage, or not, shall not define the unit type.

“Very-low-income household” means a household with a household income less than or equal to 30 percent of the regional median income.

“Very-low-income housing” means housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 30 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

“Very-low-income unit” means a restricted unit that is affordable to a very-low-income household.

“Veteran” means a veteran as defined at N.J.S.A. 54:4-8.10.

“Veterans’ preference” means the agreement between a municipality and a developer or residential development owner that allows for low- to moderate-income veterans to be given preference for up to 50 percent of rental units in relevant projects, as provided for at N.J.S.A. 52:27D-311.j.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors and is considered a major system for rehabilitation.

105-3 Monitoring and Reporting Requirements

A. The Borough shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:

- (1) The Borough shall provide electronic monitoring data with the Department pursuant to P.L 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS). All monitoring information required to be made

public by the FHA shall be available to the public on the Department's website at <https://www.nj.gov/dca/dlps/hss/MuniStatusReporting.shtml>.

- (2) On or before February 15 of each year, the Borough shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the Department on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.
- (3) On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the Department on the AHMS portal, for the previous year from January 1st to December 31st.

105-4 Borough-wide Mandatory Set-Aside

- A. A development, other than single-family detached, providing a minimum of five new housing units created through any municipal rezoning or Zoning Board action, use or density variance, new redevelopment plan, or rehabilitation plan that provides for densities at or above six units per acre, is required to include an affordable housing set-aside of 20%. In any situation where the 20% set-aside results in a fraction, the required set-aside shall be rounded upward to the next full integer.
- B. Any affordable units generated through such mandatory set-aside shall be subject to all other provisions of this ordinance.
- C. All such affordable units shall be governed by this ordinance, the controls on affordability, including bedroom distribution, and affirmatively marketed to the housing region in conformance with UHAC at N.J.A.C. 5:80-26.1 et seq., any successor regulation, and all other applicable laws.
- D. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.
- E. The mandatory set-aside requirements of this section do not give any developer the right to any rezoning, variance or other relief, or establish any obligation on the part of the Borough to grant such rezoning, variance or other relief.
- F. This Borough-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the HEFSP, for which density and set-aside requirements shall be governed by the specific standards as set forth therein.

105-5 New Construction (per N.J.A.C. 5:93 as may be updated per various sections in N.J.A.C. 5:97 and N.J.S.A. 52:27D-301 et seq.). Per the definition of "New Construction," this section governs the creation of new affordable housing units regardless of the means by which the units are created. Newly constructed units may include new residences constructed or created through other means.

- A. The following requirements shall apply to all new or planned developments that contain very low-, low- and moderate-income housing units. To the extent possible, details related to the adherence to the requirements below shall be outlined in the resolution

granting municipal subdivision or site plan approval of the project to assist municipal representatives, developers and Administrative Agents.

- B. Completion Schedule (previously known as phasing). Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following completion schedule for very low-, low- and moderate-income units whether developed in a single-phase development, or in a multi-phase development:

Maximum Percentage of Market-Rate Units Issued a Temporary or Final Certificate of Occupancy	Minimum Percentage of Affordable Units Issued a Temporary or Final Certificate of Occupancy
25+1	10
50	50
75	75
90	100

- C. Design. The following design requirements apply to affordable housing developments, excluding prior round units.

1. Design of 100 percent affordable developments:

a) Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.

b) Each bedroom in each restricted unit must have at least one window.

c) Restricted units must include adequate air conditioning and heating.

2. Design of developments comprising market-rate rental units and restricted rental units. The following does not apply to prior round units, unless stated otherwise.

a) Restricted units must use the same building materials and architectural design elements (for example, plumbing, insulation, or siding) as market-rate units of the same unit type (for example, flat or townhome) within the same development, except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.

b) Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations.

c) Restricted units may not be physically clustered so as to segregate restricted and market-rate units within the same development or within the same building, but must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clustering facilitates the provision of on-site medical services or on-site social services. Prior round affordable units shall be integrated with market rate units to the extent feasible.

- d) Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
 - e) Restricted units must include adequate air conditioning and heating and must use the same type of cooling and heating sources as market-rate units of the same unit type. This shall apply to prior round units.
 - f) Each bedroom in each restricted unit must have at least one window.
 - g) Restricted units must be of the same unit type as market-rate units within the same building.
 - h) Restricted units and bedrooms must be no less than 90 percent of the minimum size prescribed by the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
3. Design of developments containing for-sale units, including those with a mix of rental and for-sale units. Restricted rental units shall meet the requirements of section b above. Restricted sale units shall comply with the below:
- a) Restricted units must use the same building standards as market-rate units of the same unit type (for example, flat, townhome, or single-family home), except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - b) Restricted units may be clustered, provided that the buildings or housing product types containing the restricted units are integrated throughout the development and are not concentrated in an undesirable location or in undesirable locations. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - c) Restricted units may be of different unit housing product types than market-rate units, provided that there is a restricted option available for each market rate housing type. Developments containing market-rate duplexes, townhomes, and/or single-family homes shall offer restricted housing options that also include duplexes, townhomes, and/or single-family homes. Penthouses and higher priced end townhouses may be exempt from this requirement. The proper ratio for restricted to market-rate unit type shall be subject to municipal ordinance or, if not specified, shall be determined at the time of site plan approval.
 - d) Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.

- e) Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s).
- f) Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
- g) Each bedroom in each restricted unit must have at least one window; and
- h) Restricted units must include adequate air conditioning and heating.
- i) Restricted units and bedrooms must be no less than 90 percent of the minimum size prescribed by the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.

B. Utilities.

- 1. Affordable units shall utilize the same type of cooling and heating source as market-rate units within the affordable housing development.
- 2. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance in accordance with N.J.AC 5:80-26.13(e).

C. Low/moderate split and bedroom distribution.

- 1. Affordable units shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.
- 2. In each affordable housing development, at least 50% of the restricted units within each bedroom distribution, rounded up to the nearest whole number, shall be required to be for low-income households earning 50 percent or less of the regional median income, including 13 percent of the affordable units within each bedroom distribution shall be required to be for very low income households earning 30 percent or less of the regional median income.
- 3. Within rental developments, of the total number of affordable rental units, at least 13%, rounded up to the nearest whole number, shall be affordable to very low-income households. The very low-income units shall be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count, and counted as part of the required number of low-income units within the development.
- 4. Affordable housing developments that are not age-restricted or supportive housing shall be structured such that:
 - a) At a minimum, the number of bedrooms within the restricted units equals twice the number of restricted units;

- b) Two-bedroom and/or three-bedroom units compose at least 50 percent of all restricted units;
 - c) The combined number of efficiency and one-bedroom units shall be no greater than 20%, rounded down, of the total number of low- and moderate-income units.
 - d) At least 30% of all low- and moderate-income units, rounded up shall be two-bedroom units.
 - e) At least 20% of all low- and moderate-income units, rounded to the nearest whole number, shall be three-bedroom units.
 - f) The remaining units may be allocated among two- and three- bedroom units at the discretion of the developer.
5. Affordable housing developments that are age-restricted or supportive housing, except those supportive housing units whose sponsoring program determines the unit arrangements, shall be structured such that, at a minimum, the number of bedrooms shall equal the number of age-restricted or supportive housing low- and moderate-income units within the inclusionary development. Supportive housing units whose sponsoring program determines the unit arrangement shall comply with all requirements of the sponsoring program. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit. In affordable housing developments with 20 or more restricted units that are age-restricted or supportive housing, two-bedroom units must comprise at least 5% of those restricted units.

D. Accessibility requirements.

1. Any new construction shall be adaptable; however, elevators shall not be required in any building or within any dwelling unit for the purpose of compliance with this section. In buildings without elevator service, only ground floor dwelling units shall be required to be constructed to conform with the technical design standards of the barrier free subcode. "Ground floor" means the first floor with a dwelling unit or portion of a dwelling unit, regardless of whether that floor is at grade. A building may have more than one ground floor.
2. Notwithstanding the exemption for townhouse dwelling units in the barrier free subcode, the first floor of all townhouse dwelling units and of all other multifloor dwelling units that are attached to at least one other dwelling unit shall be subject to the technical design standards of the barrier free subcode and shall include the following features:
 - a) An adaptable toilet and bathing facility on the first floor;
 - b) An adaptable kitchen on the first floor;
 - c) An interior accessible route of travel however an interior accessible route of travel shall not be required between stories;

- d) An adaptable room that can be used as a bedroom, with a door, or the casing for the installation of a door that is compliant with the Barrier Free Subcode, on the first floor;
- e) If not all of the foregoing requirements in b.i. through b.iv. can be satisfied, then an interior accessible route of travel shall be provided between stories within an individual unit; and
- f) An accessible entranceway as set forth in P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that the Borough has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
 - [1] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
 - [2] To this end, the builder of restricted units shall deposit funds within the Affordable Housing Trust Fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - [3] The funds deposited shall be expended for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
 - [4] The developer of the restricted units shall submit to the Construction Official a design plan and cost estimate for the conversion from adaptable to accessible entrances.
 - [5] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meets the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Affordable Housing Trust Fund and earmarked appropriately.
- g) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is “site-impracticable” to meet the requirements. If full compliance with this section would be site impracticable, compliance with this section for any portion of the dwelling shall be required to the extent that it is not site impracticable. Determinations of site impracticability shall comply with the Barrier Free Subcode at N.J.A.C. 5:23-7.

105-6 Affordable Housing Programs

- A. Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, “All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions.” The following are many of the main provisions of the COAH regulations at either N.J.A.C. 5:93 or 5:97 that have been upheld by the NJ Supreme Court. Municipalities should consult the cited full COAH regulations when preparing the HEFSP for required documentation, etc. Additional compliance details may also be included in the specific municipal program manual.
- B. Rehabilitation Programs (per N.J.A.C. 5:93-5.2 with updated provisions herein per N.J.A.C. 5:97-6.2 related to credit towards a municipal present need obligation).
- (1) The rehabilitation program shall be designed to renovate deficient housing units occupied or intended to be occupied by very low-, low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28-1.1 et seq or the Rehabilitation Subcode, N.J.A.C. 5:23-6 to the extent applicable.
 - (2) Both ownership and rental units shall be eligible for rehabilitation funds.
 - (3) All rehabilitated units shall remain affordable to very low-, low- and moderate-income households for a period of 10 years (the control period). For owner-occupied units, the control period shall be enforced with a mortgage and note and for renter-occupied units the control period will be enforced with a deed restriction.
 - (4) The municipality shall dedicate a minimum average hard cost of \$10,000 for each unit to be rehabilitated through this program and in addition shall dedicate associated rehabilitation program soft costs such as case management, inspection fees and work write-ups.
 - (5) The municipality shall designate, subject to the approval of the Department, one or more Administrative Agents to administer the rehabilitation program in accordance with P.L 2024, Chapter 2. The Administrative Agent(s) shall provide rehabilitation manuals for ownership and rental rehabilitation programs. Manuals shall be adopted by resolution of the governing body. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and on the municipal affordable housing web page.
 - (6) Households determined to be very low-, low-, or moderate-income may participate in a rehabilitation program. Rehabilitated units shall be exempt from the very low-income requirements, low/mod split, and bedroom distribution requirements of UHAC, but shall be administered in accordance with the following:
 - [1] If a unit is vacant at the time of rehabilitation, or if a rehabilitated unit becomes vacant and is re-rented before the expiration of the affordability controls, the deed restriction shall require that the unit be rented to a low- or moderate-income household at an affordable rent.

[2] If a rental unit is occupied by a tenant at the time rehabilitation is completed, the rent charged after rehabilitation shall not exceed the lesser of the tenant's current rent or the maximum rent permitted under UHAC.

[3] Rents in rehabilitated units may increase annually based on the standards in UHAC.

[4] At the time of application, applicant households and/or tenant households shall be subject to income eligibility determinations in accordance with UHAC.

B. Extension of Controls Program (for ownership units per N.J.A.C. 5:97-6.14 and UHAC at N.J.A.C. 5:80-26.6(h) through (k) and (m); and for rental units per N.J.A.C. 5:97-6.14 and N.J.A.C. 5:80-26.12(h) through (k)).

(1) An extension of affordability controls program is established to maintain and extend the affordability of deed restricted units scheduled to come out of their affordability control period, subject to N.J.A.C. 5:97-6.14 and UHAC, including the following:

(a) The affordable unit meets the criteria for prior cycle (April 1, 1980 - December 15, 1986) or post December 15, 1986 credits set forth in N.J.A.C. 5:97.

(b) The affordability controls for the unit are scheduled to expire in the current round; or in the next round of housing obligations if the municipal election to extend controls is made no earlier than one year before the end of the current round;

(c) The Borough shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.

(d) If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the Borough shall fund and complete the work.

(e) The Borough shall adhere to the process for extending controls pursuant to UHAC for extending ownership units and rental units, either inclusionary or 100% affordable developments.

(f) The deed restriction for the extended control period shall be filed with the County Clerk.

C. Assisted Living Residence (per N.J.A.C. 5:97-6.11).

(1) An assisted living residence is a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to assure that assisted living services are available. All or a designated number of apartments in the facility shall be restricted to low- and moderate-income households.

(2) The unit of credit shall be the apartment. However, a two-bedroom apartment shall be eligible for two units of credit if it is restricted to two unrelated individuals.

- (3) A recipient of a Medicaid waiver shall automatically qualify as a low- or moderate-income household.
- (4) Assisted living units are considered age-restricted housing in a HEFSP and shall be included with the maximum number of units that may be age-restricted.
- (5) Low- and moderate-income residents cannot be charged any upfront fees.
- (6) The units shall comply with UHAC with the following exceptions:
 - (a) Affirmative marketing (N.J.A.C. 5:80-26.16); provided that the units are restricted to recipients of Medicaid waivers;
 - (b) The deed restriction may be on the facility, rather than individual apartments or rooms;
 - (c) Low/moderate income split and affordability average (N.J.A.C. 5:80-26.4); only if all of the affordable units are affordable to households at a maximum of 60 percent of median income; and
- (7) Tenant income eligibility (N.J.A.C. 5:80-26.14); up to 80 percent of an applicant's gross income may be used for rent, food and services based on occupancy type and the affordable unit must receive the same basic services as required by the Agency's underwriting guidelines and financing policies. The cost of non-housing related services shall not exceed one and two-thirds times the rent established for each unit.

D. Market to Affordable program (per N.J.A.C. 5:97-6.9).

- (6) The market to affordable program permits the purchase or subsidization of unrestricted units through a mortgage write-down provided to an income-certified buyer or through a sale or rental as a low- or moderate-income unit to an income-eligible household. The market to affordable program may produce both low- and moderate-income units.
- (7) At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
- (8) The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
- (9) A minimum subsidy of \$25,000 per moderate-income unit and/or \$30,000 per low-income unit shall be provided, with additional subsidy depending on the market prices or rents in a municipality.
- (10) The units shall comply with UHAC with the following exceptions:
 - (a) Bedroom distribution (N.J.A.C. 5:80-26.4).
 - (b) Low/moderate income split (N.J.A.C. 5:80-26.4).
- (11) Affordability average (N.J.A.C. 5:80-26.4); however:
 - (a) The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income; and

- (b) The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40 percent of median income.

E. Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).

- (1) The following provisions shall apply to group homes, residential health care facilities, and supportive shared living housing:
 - (a) Units are subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968).
 - (b) Units may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services.
 - (c) The unit of credit shall be the bedroom. However, the unit of credit shall be the unit if occupied by a single person or household.
 - (d) Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to the Act.
 - (e) Occupancy shall not be restricted to youth under 18 years of age.
 - (f) In affordable developments with 20 or more restricted units that are supportive housing, two-bedroom units must compose at least five percent of those restricted units.
 - (g) The bedrooms and/or units shall comply with UHAC with the following exceptions:
 - [1] Affirmative marketing; however, group homes, residential health care facilities, permanent supportive housing, and supportive shared living housing shall be affirmatively marketed to broadest possible population of qualified individuals with special needs in accordance with a plan approved by the sponsoring program;
 - [2] Affordability average and bedroom distribution (N.J.A.C. 5:80-26.4).
 - (h) With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with the Act. In the event that a supportive housing provider is unable to record or execute a long-term

deed restriction, the units shall be subject to annual recertification by the Municipal Housing Liaison to confirm continued occupancy and compliance with this Section.

- (i) Objective standards shall be applied in the selection of tenants for supportive housing units and shall be designed to ensure that individuals are not excluded in an arbitrary or capricious manner.
- (j) The following documentation shall be submitted by the sponsor to the Borough prior to marketing the completed units or facility:

[1] An Affirmative Marketing Plan; and

[2] If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.

- (k) The sponsor/owner shall complete annual monitoring as directed by the MHL.

105-7 Regional Income Limits.

- A. Administrative agents shall use the current regional income limits for the purpose of pricing affordable units and determining income eligibility of households.
- B. Regional income limits are based on regional median income, which is established by a regional weighted average of the “median family incomes” published by HUD. The procedure for computing the regional median income is detailed in N.J.A.C. 5:80-26.3.
- C. Updated regional income limits are effective as of the effective date of the regional Section 8 income limits for the year, as published by HUD, or 45 days after HUD publishes the regional Section 8 income limits for the year, whichever comes later. The new income limits may not be less than those of the previous year.

105-8 Maximum Initial Rents And Sales Prices.

- A. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC N.J.A.C. 5:80-26.4.
- B. The average rent for all restricted units within each affordable housing development shall be affordable to households earning no more than 52 percent of regional median income.
- C. The maximum rent for restricted rental units within each affordable housing development shall be affordable to households earning no more than 60% of regional median income.
- D. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income. These very low-

income units shall be part of the low-income requirement and very-low-income units should be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count.

- E. The maximum sales price of restricted ownership units within each affordable housing development shall be affordable to households earning no more than 70% of median income, and each affordable housing development must achieve an affordability average that does not exceed 55% for all restricted ownership units. In achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type when the number of low- and moderate-income units permits.
- F. The master deeds and declarations of covenants and restrictions for affordable developments may not distinguish between restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market-rate purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.
- G. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted family units, the following standards shall be met:
 - (1) A studio or efficiency unit shall be affordable to a one-person household;
 - (2) A one-bedroom unit shall be affordable to a one and one-half person household;
 - (3) A two-bedroom unit shall be affordable to a three-person household;
 - (4) A three-bedroom unit shall be affordable to a four and one-half person household; and
 - (5) A four-bedroom unit shall be affordable to a six-person household.
- H. In determining the initial rents and sales prices for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted and special needs and supportive housing developments, the following standards shall be met:
 - (1) A studio or efficiency unit shall be affordable to a one-person household;
 - (2) A one-bedroom unit shall be affordable to a one and one-half person household; and
 - (3) A two-bedroom unit shall be affordable to a two-person household or to two one-person households. Where pricing is based on two one-person households, the developer shall provide a list of units so priced to the Municipal Housing Liaison and the Administrative Agent.
- I. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a

mortgage loan equal to 95 percent of the purchase price and the Freddie Mac 30-Year Fixed Rate-Mortgage rate of interest), property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 30 percent of the eligible monthly income of the appropriate size household as determined pursuant to N.J.A.C. 5:80-26.7, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.

- J. The initial rent for a restricted rental unit shall be calculated so that the total monthly housing expense, including an allowance for tenant-paid utilities, does not exceed 30 percent of the gross monthly income of a household of the appropriate size whose income is targeted to the applicable percentage of median income for the unit, as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented. The rent shall also comply with the affordability-average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented. The initial rent for a restricted rental unit shall be calculated so the eligible monthly housing expenses/income, including an allowance for tenant-paid utilities does not exceed 30 percent of gross income of and the appropriate household size as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- K. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, following proper notice provided to the occupant household pursuant to N.J.S.A. 2A:18-61.1.f, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." Rent increases for units constructed pursuant to Low-Income Housing Tax Credit regulations shall be indexed pursuant to the regulations governing Low-Income Housing Tax Credits.

105-9 Affirmative Marketing.

- A. The Borough shall adopt, by resolution, an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
- B. The Affirmative Marketing Plan is a regional marketing strategy 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 housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward Housing Region 2 and is required to be followed throughout the period of deed restriction.
- C. The Affirmative Marketing Plan provides the following preferences, provided that units that remain unoccupied after these preferences are exhausted may be offered to households without regard to these preferences.

- (1) Where the Borough has entered into an agreement with a developer or residential development owner to provide a preference for very-low-, low-, and moderate-income veterans who served in time of war or other emergency, pursuant to N.J.S.A. 52:27D-311.j, there shall be a preference for veterans for up to 50 percent of the restricted rental units in a particular project.
 - (2) There shall be a regional preference for all households that live and/or work in Housing Region 2 comprising Essex, Morris, Union and Warren Counties.
- D. The Borough has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Process, including the marketing of initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Borough shall implement the Affirmative Marketing Process to ensure the Affirmative Marketing of all affordable units, except for units in affordable programs that are exempt from Affirmative Marketing as noted herein.
 - E. The Affirmative Marketing Process shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Process, the Administrative Agent shall consider the use of language translations where appropriate.
 - F. Applications for affordable housing or notices thereof, if offered online, shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the Borough Hall and Fanwood Public Library ; and the developer's rental or sales office. The developer shall mail applications to prospective applicants upon request and shall make applications available through a secure online website address.
 - G. In addition to other Affirmative Marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units on the New Jersey Housing Resource Center website. Additional notice shall be provided to FSHC; the Latino Action Network; the New Jersey State Conference of the NAACP; East Orange NAACP, Newark NAACP, Morris County NAACP, and Elizabeth NAACP. Any other entities, including developers or persons or companies retained to implement the Affirmative Marketing Process, shall comply with this paragraph.
 - H. In implementing the Affirmative Marketing Process, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
 - I. The Affirmative Marketing Process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
 - J. The cost to affirmatively market the affordable units shall be the responsibility of the developer, sponsor or owner, with the exception of Affirmative Marketing for resales.

105-10 Selection of Occupants of Affordable Housing Units.

- A. The Administrative Agent shall use a random selection process to select occupants of very low-, low- and moderate-income housing.

- B. A pool of interested households will be maintained in accordance with the provisions of N.J.A.C. 5:80-26.16.

105-11 Occupancy Standards.

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - (1) Ensure each bedroom is occupied by at least one person, except for age-restricted and supportive and special needs housing units;
 - (2) Provide a bedroom for every two adult occupants;
 - (3) With regard to occupants under the age of 18, accommodate the household's requested arrangement, except that such arrangement may not result in more than two occupants under the age of 18 occupying any bedroom; and
 - (4) Avoid placing a one-person household into a unit with more than one bedroom.

105-12 Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- A. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80- 26.6, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years subject to the requirements of N.J.A.C. 5:80-26.6, as may be amended and supplemented.
- B. Rehabilitated housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years (crediting towards present need only).
- C. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit. The date of commencement shall be identified in the deed restriction.
- D. If existing affordability controls are being extended, the extended control period for a restricted ownership unit commences on the effective date of the extension, which is the end of the original control period.
- E. After the end of any control period, the restricted ownership unit remains subject to the affordability controls set forth in this subchapter until the owner gives notice of their intent to make an exit sale, at which point:
 - (1) If the Borough exercises the right to extend the affordability controls on the unit, no exit sale occurs and a new control period commences; or
 - (2) If the Borough does not exercise the right to extend the affordability controls on the unit, the affordability controls terminate following the exit sale.
- F. Prior to the issuance of any building permit for the construction/rehabilitation of restricted ownership units, the developer/owner and the Borough shall record a preliminary instrument provided by the Administrative Agent.

- G. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
- H. At the time of the initial sale of the unit and upon each successive price-restricted sale, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obliging the purchaser, as well as the purchaser's heirs, successors, and assigns, to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
- I. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to price-restricted ownership units.

105-13 Price Restrictions for Restricted Ownership Units and Resale Prices.

- A. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, including:
 - (1) The initial purchase price and affordability percentage for a restricted ownership unit shall be set by the Administrative Agent.
 - (2) The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the standards set forth in N.J.A.C. 5:80-26.7.
 - (a) If the resale occurs prior to the one-year anniversary of the date on which title to the unit was transferred to a certified household, the maximum resale price for a is the most recent non-exempt purchase price.
 - (b) If the resale occurs on or after such anniversary date, the maximum resale price is the most recent non-exempt purchase price increased to reflect the cumulative annual percentage increases to the regional median income, effective as of the same date as the regional median income calculated pursuant to N.J.A.C. 5:80-26.3
 - (3) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be:
 - (a) those that render the unit suitable for a larger household or the addition of a bathroom.
 - (b) The maximum resale price may be further increased by an amount up to the cumulative dollar value of approved capital improvements made after the last non-exempt sale for improvements and/or upgrades to the unit, excluding capital improvements paid for by the entity favored on the recapture note and recapture lien described at N.J.A.C. 5:80-26.6(d);

- (4) No increase for capital improvements is permitted if the maximum resale price prior to adjusting for capital improvements already exceeds whatever initial purchase price the unit would have if it were being offered for purchase for the first time at the initial affordability percentage. All adjustments for capital improvements are subject to 10-year, straight-line depreciation.
- B. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase but shall be separate and apart from any contract of sale for the underlying real estate. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price of the air conditioning equipment, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The seller and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

105-14 Buyer Income Eligibility.

- A. Buyer income eligibility for restricted ownership units shall be established pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented, such that very low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 30% of median income, low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for occupancy by households with a gross household income less than 80% of median income.
- B. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Borough, and subject to the Division's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit. Similarly, the administrative agent may permit low-income purchasers to buy very-low-income units in housing markets where, as determined by the Division, units are reserved for very-low-income purchasers, but there is an insufficient number of very-low-income purchasers to permit prompt occupancy of the units. In such instances, the purchased unit must be maintained as a very-low-income unit and sold at a very-low-income price point such that on the next resale the unit will still be affordable to very-low-income households and able to be purchased by a very-low-income household. A very-low-income unit that is seeking bonus credit pursuant to N.J.S.A. 52:27D-311.k(9) must first be

advertised exclusively as a very-low-income unit according to the Affirmative Marketing requirements at N.J.A.C. 5:80-26.16, then advertised as a very-low-income or low-income unit for at least 30 additional days prior to referring any low-income household to the unit.

- C. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
- D. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 35 percent of the household's eligible monthly income; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - (1) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for housing expenses, and the proposed housing expenses will reduce its housing costs;
 - (2) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for housing expenses in the past and has proven its ability to pay; or
 - (3) The household is currently in substandard or overcrowded living conditions;
 - (4) The household documents the existence of assets, within the asset limitation otherwise applicable, with which the household proposes to supplement the rent payments

105-15 Limitations on Indebtedness Secured by Ownership Unit; Subordination.

- A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
- B. With the exception of original purchase money mortgages, neither an owner nor a lender shall at any time during the control period cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C. 5:80-26.7(c).

105-16 Control Periods for Restricted Rental Units.

- A. Control periods for units that meet the definition of prior round units shall be pursuant to the 2001 UHAC rules originally adopted October 1, 2001, 33 N.J.R. 3432, and amended December 20, 2004, 36 N.J.R. 5713 and shall remain subject to the

requirements of this ordinance for a period of at least 30 years as applicable unless otherwise indicated.

- B. Other than for prior round units, control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.12, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 40 years. Restricted rental units created as part of developments receiving 9% Low-Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period for a total of 45 years.
- C. The affordability control period for a restricted rental unit shall commence on the first date that a unit is issued a certificate of occupancy following the execution of the deed restriction or, if affordability controls are being extended, on the effective date of the extension, which is the end of the original control period.
- D. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years.
- E. Prior to the issuance of any building permit for the construction/rehabilitation of restricted rental units, the developer/owner and the Borough shall record a preliminary instrument provided by the Administrative Agent.
- F. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property. The deed restriction shall be recorded by the developer with the county records office, and provided as filed and recorded, to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.
- G. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - (1) Sublease or assignment of the lease of the unit;
 - (2) Sale or other voluntary transfer of the ownership of the unit;
 - (3) The entry and enforcement of any judgment of foreclosure on the property containing the unit; or
 - (4) The end of the control period, until the occupant household vacates the unit, or is certified as over-income and the controls are released in accordance with UHAC.

105-17 Rent Restrictions for Rental Units; Leases and Fees.

- A. The initial rent for a restricted rental unit shall be set by the Administrative Agent.
- B. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be retained on file by the Administrative Agent.
- C. No additional fees, operating costs, or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary

charges for food and services) without the express written approval of the Administrative Agent.

- (1) Operating costs, for the purposes of this section, include certificate of occupancy fees, move-in fees, move-out fees, mandatory internet fees, mandatory cable fees, mandatory utility submetering fees, and for developments with more than one and a half off-street parking spaces per unit, parking fees for one parking space per household.
- D. Any fee structure that would remove or limit affordable unit occupant access to any amenities or services that are required or included for market-rate unit occupants is prohibited. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
 - E. Fees for unit-specific, non-communal items that are charged to market-rate unit tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may also be charged to affordable unit tenants, if applicable.
 - F. Pet fees may not exceed \$30.00 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited.
 - G. Fees charged to affordable unit tenants for other optional, unit-specific, non-communal items shall not exceed the amounts charged to market-rate tenants.
 - H. For any prior round rental unit leased before December 20, 2024, elements of the existing fee structure that are consistent with prior rules, but inconsistent with 5:80-26.13(c)1, may continue until the occupant household's current lease term expires or that occupant household vacates the unit, whichever occurs later.

105-18 Tenant Income Eligibility.

- A. Tenant income eligibility shall be determined pursuant to N.J.A.C. 5:80-26.14, as may be amended and supplemented, and shall be determined as follows:
 - (1) Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of the regional median income by household size.
 - (2) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median income by household size.
 - (3) Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median income by household size.
- B. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income or moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

- (1) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - (2) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - (3) The household is currently in substandard or overcrowded living conditions;
 - (4) The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - (5) The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- C. The applicant shall file documentation sufficient to establish the existence of any of the circumstances in 2.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

105-19 Municipal Housing Liaison.

- A. The Municipal Housing Liaison shall be approved by municipal resolution.
- B. The Municipal Housing Liaison shall be approved by the Division, or is in the process of getting approval, and fully or conditionally meets the requirements for qualifications, including initial and periodic training as set forth in in N.J.A.C. 5:99-1 et seq.
- C. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program, including the following responsibilities, which may not be contracted out to the Administrative Agent:
 - (1) Serving as the primary point of contact for all inquiries from the Affordable Housing Dispute Resolution Program, the State, affordable housing providers, administrative agents and interested households.
 - (2) The oversight of the Affirmative Marketing Plan and affordability controls.
 - (3) When applicable, overseeing and monitoring any contracting Administrative Agent.
 - (4) Overseeing the monitoring of the status of all restricted units listed in the Fair Share Plan.
 - (5) Verifying, certifying and providing annual information within AHMS at such time and in such form as required by the Division.
 - (6) Coordinating meetings with affordable housing providers and administrative agents, as needed.
 - (7) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division.
 - (8) Overseeing the recording of a preliminary instrument in the form set forth at N.J.A.C. 5:80-26.1 for each affordable housing development.

- (9) Coordinating with the Administrative Agent, municipal attorney and municipal Construction Code Official to ensure that permits are not issued unless the document required in C.8. above has been duly recorded.
- (10) Listing on the municipal website contact information for the MHL and Administrative Agents.

105-20 Administrative Agent.

- A. All municipalities that have created or will create affordable housing programs and/or affordable units shall designate or approve, for each project within its HEFSP, an administrative agent to administer the affordable housing program and/or affordable housing units in accordance with the requirements of the FHA, NJAC 5:99-1 et seq. and UHAC.
- B. The fees for administrative agents shall be paid as follows:
 - (1) Administrative agent fees related to rental units shall be paid by the developer/owner.
 - (2) Administrative agent fees related to initial sale of units shall be paid by the developer.
 - (3) Administrative agent fees related to resales shall be paid by the seller of the affordable home.
 - (4) Administrative agent fees related to ongoing administration and enforcement shall be paid by the Borough.
- C. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s). The Operating Manual(s) shall be available for public inspection in the Office of the Clerk and in the office(s) of the Administrative Agent(s). Operating manuals shall be adopted by resolution of the Governing Body.
- D. Subject to the role of the Administrative Agent(s), the duties and responsibilities as are set forth in N.J.A.C. 5:99-7 and which are described in full detail in the Operating Manual, including those set forth in UHAC, include:
 - (1) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division;
 - (2) Affirmative marketing:
 - (a) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Borough and the provisions of N.J.A.C. 5:80-26.16.
 - (b) Providing counseling, or contracting to provide counseling services, to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements; and landlord/tenant law.
 - (3) Household certification.
 - (a) Soliciting, scheduling, conducting and following up on interviews with interested households.

- (b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
 - (c) Providing written notification to each applicant as to the determination of eligibility or non-eligibility within 5 days of the determination thereof.
 - (d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in the Appendices J and K of N.J.A.C. 5:80-26.1 et seq.
 - (e) Creating and maintaining a referral list of eligible applicant households living in the housing region, and eligible applicant households with members working in the housing region, where the units are located.
 - (f) Employing a random selection process as provided in the Affirmative Marketing Plan when referring households for certification to affordable units.
- (4) Affordability controls.
- (a) Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for the recording at the time of conveyance of title of each restricted unit.
 - (b) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and filed properly with the County Register of Deeds or County Clerk's office after the termination of the affordability controls for each restricted unit in accordance with UHAC.
 - (c) Communicating with lenders and the Municipal Housing Liaison regarding foreclosures.
 - (d) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.11.
- (5) Records retention.
- (a) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded recapture mortgage, and note, as appropriate.
 - (b) Records received, retained, retrieved, or transmitted in furtherance of crediting affordable units of a Borough constitute public records of the Borough as defined by N.J.S.A. 47:3-16, and are legal property of the Borough.
- (6) Resales and re-rentals.
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental.
 - (b) Instituting and maintaining an effective means of communicating information to very low-, low-, or moderate-income households regarding the availability of restricted units for resale or re-rental.
- (7) Processing requests from unit owners.

- (a) Reviewing and approving requests from owners of restricted units who wish to refinance or take out home equity loans during the term of their ownership to determine that the amount of indebtedness to be incurred will not violate the terms of this ordinance.
 - (b) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems.
 - (c) Notifying the Borough of an owner's intent to sell a restricted unit.
 - (d) Making determinations on requests by owners of restricted units for hardship waivers.
- (8) Enforcement.
- (a) Securing annually from the Borough a list of all affordable ownership units for which property tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - (b) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
 - (c) Sending annual mailings to all owners of affordable dwelling units reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.19(d)4;
 - (d) Establishing a program for diverting unlawful rent payments to the municipal Affordable Housing Trust Fund; and
 - (e) Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent setting forth procedures for administering the affordability controls.
- (9) The Administrative Agent(s) shall, as delegated by the Borough, have the authority to take all actions necessary and appropriate to carry out its/their responsibilities, herein.

105-21 Responsibilities of The Owner of a development containing affordable units.

- A. The owner of all developments containing affordable units subject to this subchapter or the assigned management company thereof shall provide to the administrative agent:
 - (1) Site plan, architectural plan, or other plan that identifies the location of each affordable unit, if subject to the site plan approval, settlement agreement, or other applicable document regulating the location of affordable units. The administrative agent shall determine the location of affordable units if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - (2) The total number of units in the project and the number of affordable units.

- (3) The breakdown of the affordable units by or identification of affordable unit locations by bedroom count and income level, including street addresses / unit numbers, if subject to the site plan approval, settlement agreement, or other applicable document regulating the breakdown of affordable units. The administrative agent shall determine the bedroom and income distribution if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - (4) Floor plans of all affordable units, including complete and accurate identification of all rooms and the dimensions thereof.
 - (5) A projected construction schedule.
 - (6) The location of any common areas and elevators.
 - (7) The name of the person who will be responsible for official contact with the administrative agent for the duration of the project, which must be updated if the contact changes.
- B. In addition to A above, the owner of rental developments containing affordable rental units subject to this subchapter or the assigned management company thereof shall:
- (1) Send to all current tenants in all restricted rental units an annual mailing containing a notice as to the maximum permitted rent and a reminder of the requirement that the unit must remain their principal place of residence, which is defined as residing in the unit at least 260 days out of each calendar year, together with the telephone number, mailing address, and email address of the administrative agent to whom complaints of excess rent can be issued.
 - (2) Provide to the administrative agent a description of any applicable fees.
 - (3) Provide to the administrative agent a description of the types of utilities and which utilities will be included in the rent.
 - (4) Agree and ensure that the utility configuration established at the start of the rent-up process not be altered at any time throughout the restricted period.
 - (5) Provide to the administrative agent a proposed form of lease for any rental units.
 - (6) Ensure that the tenant selection criteria for the applicants for affordable units not be more restrictive than the tenant selection criteria for applicants for non-restricted units.
 - (7) Strive to maintain the continued occupancy of the affordable units during the entire restricted period.
- C. In addition to A, above, the owner of affordable for-sale developments containing affordable for-sale units subject to this subchapter or the assigned management company thereof shall provide the administrative agent:
- (1) Proposed pricing for all units, including any purchaser options and add-on items.
 - (2) Condominium or homeowner association fees and any other applicable fees.
 - (3) Estimated real property taxes.
 - (4) Sewer, water, trash disposal, and any other utility assessments.

- (5) Flood insurance requirement, if applicable.
- (6) The State-approved planned real estate development public offering statement and/or master deed, where applicable, as well as the full build-out budget.

105-22 Enforcement of Affordable Housing Regulations

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the Borough shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an owner, developer or tenant of an affordable unit and advising the owner, developer or tenant of the penalties for such violations, the Borough may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - (1) The Borough may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:
 - (a) A fine of not more than \$500 provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
 - (b) In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an owner who has rented his or her affordable unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
- C. The Borough shall have the authority to levy fines against the owner of the development for instances of noncompliance with NJHRC advertising requirements (N.J.S.A. 52:27D-321.6.e.(2)), following written notice to the owner. The fine for the first offense of noncompliance shall be \$5,000, the fine for the second offense of noncompliance shall be \$10,000, and the fine for each subsequent offense of noncompliance shall be \$15,000.
- D. The Borough may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same

were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.

- (1) Such judgment shall be enforceable, at the option of the Borough, by means of an execution sale by the Sheriff, at which time the affordable unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the Borough, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- (2) The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien and any prior liens upon the low- or moderate-income unit. The excess, if any, shall be applied to reimburse the Borough for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the Borough in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the Borough in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus shall be placed in escrow by the Borough for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the Borough for such. Failure of the owner to claim such balance within the two year period shall automatically result in a forfeiture of such balance to the Borough. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the Borough, whether such balance shall be paid to the owner or forfeited to the Borough.
- (3) Foreclosure due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as they apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- (4) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the Borough may acquire title to the affordable unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the affordable unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess that would have been realized from an actual sale as previously described.

- (5) Failure of the low- or moderate-income unit to be either sold at the Sheriff's sale or acquired by the Borough shall obligate the owner to accept an offer to purchase from any qualified purchaser that may be referred to the owner by the Borough, with such offer to purchase being equal to the maximum resale price of the low- or moderate-income unit as permitted by the regulations governing affordable housing units.
 - (6) The affordable unit owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.
- E. It is the responsibility of the municipal housing liaison and the administrative agent(s) to ensure that affordable housing units are administered properly. All affordable units must be occupied within a reasonable amount of time and be re-leased within a reasonable amount of time upon the vacating of the unit by a tenant. If an administrative agent or municipal housing liaison becomes aware of or suspects that a developer, landlord, or property manager has not complied with these regulations, it shall report this activity to the Division. The Division must notify the developer, landlord, or property manager, in writing, of any violation of these regulations and provide a 30-day cure period. If, after the 30-day cure period, the developer, landlord, or property manager remains in violation of any terms of this subchapter, including by keeping a unit vacant, the developer, landlord, or property manager may be fined up to the amount required to construct a comparable affordable unit of the same size and the deed-restricted control period will be extended for the length of the time the unit was out of compliance, in addition to the remedies provided for in this section. For the purposes of this subsection, a reasonable amount of time shall presumptively be 60 days, unless a longer period of time is required due to demonstrable market conditions and/or failure of the municipal housing liaison or the administrative agent to refer a certified tenant.
- F. Banks and other lending institutions are prohibited from issuing any loan secured by owner occupied real property subject to the affordability controls set forth in this subchapter if such loan would be in excess of amounts permitted by the restriction documents recorded in the deed or mortgage book in the county in which the property is located. Any loan issued in violation of this subsection is void as against public policy.
- G. The Agency and the Department hereby reserve, for themselves and for each administrative agent appointed pursuant to this subchapter, all of the rights and remedies available at law and in equity for the enforcement of this subchapter, including, but not limited to, fines, evictions, and foreclosures as approved by a county-level housing judge.
- H. Appeals
- (1) Appeals from all decisions of an administrative agent appointed pursuant to this subchapter must be filed, in writing, with the municipal housing liaison. A decision by the municipal housing liaison may be appealed to the Division. A written decision of the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

105-23 Development Fees.

A. Purpose

- (1) This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with the amended Fair Housing Act (P.L.2024, c.2), N.J.A.C. 5:99, and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low-, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

B. Basic Requirements

- (1) The municipality previously adopted a development fee ordinance, which established the Municipal Affordable Housing Trust Fund.
- (2) The Borough shall not spend development fees until the court has approved a plan for spending such fees.

C. Residential Development Fees

(1) Imposed fees

- (a) Residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.
- (b) When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a “bonus” development fee of 6.0% of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage of 6% of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

- (2) Eligible exactions, ineligible exactions and exemptions for residential development
 - (a) Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the Borough, and

developments where the developer has made an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the Borough as part of an approved Housing Element and Fair Share Plan, shall be exempt from development fees.

- (b) Developments that have received preliminary or final site plan approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
- (c) Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- (d) No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster.
- (e) Development fees shall be imposed and collected when an existing non-owner-occupied residential structure is demolished and replaced. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- (f) A person renovating and/or expanding an existing family home, and expending 50% or less of the current assessed value of such home in performing such renovation and/or expansion, shall be exempt from the payment of a development fee.

D. Non-Residential Development Fees

(1) Imposition of fees

- (a) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- (b) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- (c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the pre-existing land and

improvements and the equalized assessed value of the newly improved structure; i.e., land and improvements; and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

- (2) Eligible exactions, ineligible exactions and exemptions for non-residential development
 - (a) The non-residential portion of a mixed-use inclusionary or market-rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
 - (b) The 2.5% fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
- (3) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.
- (4) A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.
- (5) If a property that was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Borough as a lien against the real property of the owner.
- (6) Exempted from these provisions are approvals for:
 - (a) Utility Facilities
 - (b) Educational, cultural and outdoor recreational facilities.
 - (c) Quasi-public uses, including clubs, lodges and similar uses
 - (d) Public uses
 - (e) Hospital uses

E. Collection Procedures

- (1) Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- (2) For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Non-Residential Development Certification/Exemption," to be completed by the developer as per the instructions provided in the Form N-RDF. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided on Form N-RDF. The tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- (3) The construction official responsible for the issuance of a building permit shall notify the tax assessor of the issuance of the first construction permit for a development that is subject to a development fee.
- (4) Within 90 days of receipt of that notice, the tax assessor shall provide an estimate, based on the plans filed, of the equalized assessed value of the development.
- (5) The construction official responsible for the issuance of a final certificate of occupancy shall notify the tax assessor of any and all requests for the scheduling of a final inspection on property that is subject to a development fee.
- (6) Within 10 business days of a request for the scheduling of a final inspection, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- (7) Should the Borough fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b. of section 37 of P.L.2008, c.46 (N.J.S.A. 40:55D-8.6).
- (8) Fifty percent (50%) of the development fee shall be collected at the time of issuance of the construction permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the construction permit and that determined at the time of issuance of certificate of occupancy.

F. Appeal of development fees

- (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by that board, collected fees shall be placed in an interest-bearing escrow account by the Borough. Appeals from a determination of the board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

- (2) A developer may challenge non-residential development fees imposed by filing a challenge with the director of the Division of Taxation. Pending a review and determination by the director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by the Borough. Appeals from a determination of the director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

G. Affordable Housing Trust Fund

- (1) A separate, interest-bearing Municipal Affordable Housing Trust Fund shall be maintained by the chief financial officer of the Borough for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- (2) The following additional funds shall be deposited in the Municipal Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - (a) Payments in lieu of on-site construction of an affordable unit, where previously permitted by ordinance or by agreement with the Borough and if approved by a Borough prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2, or if allowed as a condition of a mediation agreement settling a challenge to the Borough's HEFSP;
 - (b) Funds contributed by developers to make 10% of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 - (c) Rental income from municipally operated units;
 - (d) Repayments from affordable housing program loans;
 - (e) Recapture funds;
 - (f) Proceeds from the sale of affordable units; and
 - (g) Any other funds collected in connection with the municipal affordable housing program including but not limited to interest earned on fund deposits.
- (3) The Borough shall provide the Division with written authorization, in the form of a tri-party escrow agreement(s) between the Borough, the Division and the financial institution in which the municipal affordable housing trust fund has been established to permit the Division to direct the disbursement of the funds as provided for in N.J.A.C. 5:99-2.1 et seq.
- (4) Occurrence of any of the following deficiencies may result in the Division requiring the forfeiture of all or a portion of the funds in the municipal Affordable Housing Trust Fund:
 - (a) Failure to meet deadlines for information required by the Division in its review of a development fee ordinance;
 - (b) Failure to commit or expend development fees within four years of the date of collection in accordance with N.J.A.C. 5:99-5.5;

- (c) Failure to comply with the requirements of the Non-Residential Development Fee Act and N.J.A.C. 5:99-3;
 - (d) Failure to submit accurate monitoring reports pursuant to this subchapter within the time limits imposed by the Act, this chapter, and/or the Division;
 - (e) Expenditure of funds on activities not approved by the Superior Court or otherwise permitted by law;
 - (f) Revocation of compliance certification or a judgment of compliance and repose;
 - (g) Failure of a municipal housing liaison or administrative agent to comply with the requirements set forth at N.J.A.C. 5:99-6, 7, and 8;
 - (h) Other good cause demonstrating that municipal affordable housing funds are not being used for an approved purpose.
- (5) All interest accrued in the housing trust fund shall only be used on eligible affordable housing purposes approved by the Court.

H. Use of Funds

- (1) The expenditure of all funds shall conform to a Spending Plan approved by Superior Court. Funds deposited in the municipal Affordable Housing Trust Fund may be used for any activity approved by the Court to address the fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market-to-affordable program; conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost-saving and in accordance with accepted national or state standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by Superior Court and specified in the approved Spending Plan.
- (2) Funds shall not be expended to reimburse the Borough or activities that occurred prior to the authorization of a Borough to collect development fees.
- (3) At least a portion of all development fees collected and interest earned shall be used to provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipal Fair Share Plan. A portion of the development fees which provide affordability assistance shall be used to provide affordability assistance to very low-income households.
 - (a) Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, infrastructure assistance, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.

- (b) Affordability assistance for very low income households may include producing very low-income units or buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
- (4) No more than 20% of all affordable housing trust funds, exclusive of those collected to fund an RCA prior to July 17, 2008, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare and implement a Housing Element and Fair Share Plan, administer an Affirmative Marketing Program and for compliance with the Superior Court and the Program including the costs to the Borough of resolving a challenge.

I. Monitoring

- (1) On or before February 15 of each year, the Borough shall provide annual electronic data reporting of trust fund activity for the previous year from January 1st to December 31st through the AHMS Reporting System. This reporting shall include an accounting of all Municipal Affordable Housing Trust Fund activity, including the sources and amounts of all funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, previously eligible payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the Borough prior to the March 20, 2024 statutory elimination per P.L. 2024, c.4), funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income from municipally-owned affordable housing units, repayments from affordable housing program loans, interest and any other funds collected in connection with municipal housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

J. Ongoing Collection of Fees

- (1) The ability to impose, collect and expend development fees shall continue so long as the municipality retains authorization from the Court in the form of Compliance Certification or the good faith effort to obtain it.
- (2) If the Borough fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to section 20 of P.L.1985, c.222 (C. 52:27D-320).
- (3) Emergent Affordable Housing Opportunities. Requests to expend affordable housing trust funds on emergent affordable housing opportunities not included in the municipal fair share plan shall be made to the Division and shall be in the form of a governing body resolution. Any request shall be consistent with N.J.A.C. 5:99-4.1.

Repealer

All ordinances or code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Severability

If any section, subsection, paragraph, sentence or any other part of this Ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this Ordinance.

Effective Date

This ordinance shall take effect upon its passage and publication, as required by law.

Appendix C: Resolution Appointing the Municipal Housing Liaison

BOROUGH OF FANWOOD UNION COUNTY, NEW JERSEY

RESOLUTION: 2026-01-42	Date of Adoption: January 5, 2026
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RESOLUTION APPOINTING A MUNICIPAL HOUSING LIAISON

WHEREAS, N.J.S.A. 52:27D-311 et seq., known as the "Fair Housing Act," requires municipalities to take affirmative measures to address the housing needs of low and moderate income households; and

WHEREAS, N.J.A.C. 5:96-18.2 requires each municipality subject to the Fair Housing Act to designate a municipal housing liaison to serve as the primary point of contact for all inquiries and applications for affordable housing; and

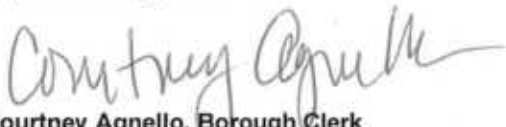
WHEREAS, the municipal housing liaison shall be responsible for oversight and compliance of the municipality's affordable housing program, including administration of controls on affordability, income eligibility of purchasers and tenants of affordable units, and affirmative marketing; and

WHEREAS, the Borough of Fanwood desires to comply with all requirements of the Fair Housing Act and applicable regulations; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Fanwood, in the County of Union, State of New Jersey, as follows:

1. Jesse Moehlman, the Borough Administrator is hereby appointed to serve as Municipal Housing Liaison for the Borough of Fanwood, effective January 1, 2026.
2. The Municipal Housing Liaison shall perform all duties and responsibilities as set forth in N.J.A.C. 5:96-18.2, including but not limited to:
 - o Serving as the primary point of contact for inquiries regarding the municipality's affordable housing program
 - o Implementing affirmative marketing requirements
 - o Compiling, verifying, and submitting annual reports as required
 - o Maintaining records of compliance monitoring activities
 - o Coordinating with other municipal departments and outside agencies as necessary
3. The Municipal Housing Liaison shall serve at the pleasure of the Mayor and Council and may be removed at any time by majority vote of the governing body.

This resolution shall take effect immediately upon passage.

Certified to be a true copy of a Resolution adopted by the Governing Body of the Borough of Fanwood at the duly held Meeting on the 5 th day of January, 2026.  Courtney Agnello, Borough Clerk	MOTION:	Patricia Walsh
	SECOND:	Erin McElroy Barker
	YES:	Gina Berry, Jeffrey Banks, Erin McElroy Barker, Katherine Mitchell, Patricia Walsh
	NO:	None
	ABSTAIN:	None
	ABSENT:	Anthony Carter

**Appendix D: Ordinance to Increase Set-Aside of Commercial Corridor (CC)
Zone and Existing Zoning Map**

ORDINANCE NO. _____

ORDINANCE OF THE BOROUGH OF FANWOOD, COUNTY OF UNION, STATE OF NEW JERSEY, AMENDING SECTION 184-119K OF THE BOROUGH CODE

TO CHANGE THE REQUIRED AFFORDABLE SET-ASIDE IN THE COMMERCIAL CORRIDOR (CC) DISTRICT

Amendment to Zoning Ordinance Section 184-119K

Intent and purpose. It is the intent and purpose of this Zoning Ordinance Amendment to increase the minimum requirement of affordable housing rental units within the Commercial Corridor District within the Borough and to satisfy a portion of Fanwood's Round 4 unmet need affordable housing obligation.

Note: Language that is strikethrough is proposed to be removed, and language that is bolded and underlined is proposed to be added.

- K. South Avenue Affordable Housing Overlay District. Within each of the Commercial Corridor Districts (CC-E, CC-C, and CC-W), the development of new mixed-use buildings (residential over commercial) with residential on the second or third floors or the conversion of existing buildings into mixed-use buildings with residential on the second or third floors, or any multifamily residential development will be permitted so long as the following conditions are met:
- (1) A minimum of ~~15%~~ **20%** of all residential units must be affordable units, regardless of whether the affordable units are rental or for-sale units.
 - (2) At least 50% of the affordable units shall be low-income units; if only one affordable unit is created in a project, the unit shall be a low-income unit.
 - (3) The units designated as low- or moderate-income units may be rented or sold only to low- or moderate-income households at the time of the initial occupancy.
 - (4) All applicable bulk requirements for development shall be met, including relevant coverage standards and parking.
 - (5) Building height shall be limited to three stories in the CC-W and CC-E Districts. Building height shall be limited to 3.5 stories in the CC-C District.
 - (6) The ground floor of the building shall contain only nonresidential uses in the CC-C District.
 - (7) The units must be affirmatively marketed to the housing region in accordance with the Borough's Affirmative Marketing Plan.
 - (8) Affordability controls shall be maintained for a minimum of 30 years.

- (9) Rental increases shall be in accordance with percentages approved by COAH or other applicable affordable housing authority.
- (10) All affordable units shall be subject to the provisions of the Borough's Affordable Housing Ordinance.[1]

[1] Editor's Note: See Ch. 105, Affordable Housing.

Repealer

All ordinances or code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Severability

If any section, subsection, paragraph, sentence or any other part of this Ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this Ordinance.

Effective Date

This ordinance shall take effect upon its passage and publication, as required by law.

End of Draft Ordinance

Appendix E: Spending Plan



BOROUGH OF FANWOOD

AFFORDABLE HOUSING SPENDING PLAN

February 12, 2026

INTRODUCTION

The Borough of Fanwood has prepared a Housing Element and Fair Share Plan in accordance with 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). A development fee ordinance has been adopted and is codified at Section 184-43 of the Code of the Borough of Fanwood. This Spending Plan outlines the manner in which funds in the Affordable Housing Trust Fund will be expended through 2035.

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 the fees are deposited into a separate, interest-bearing Affordable Housing Trust Fund for the purposes of affordable housing. These funds shall be spent in accordance with applicable affordable housing regulations.

1. REVENUES FOR CERTIFICATION PERIOD

As of December 31, 2025, the Affordable Housing Trust Fund had a balance of \$525,261.42 (hereinafter rounded to \$525,261).

Based on past development fee collections through the life of the Borough's Affordable Housing Trust Fund, an annual estimated total residential development fee projection of \$21,400 per year has been used in this analysis. This results in a total development fee projection of \$214,000 through 2035.

An outstanding payment-in-lieu in the amount of \$12,500 is anticipated to be collected during 2026. This payment-in-lieu is associated with development at 40 South Avenue.

No other sources of income are anticipated through 2035.

Finally, it is estimated that the Borough will collect approximately \$10,000 in interest through 2035.

TABLE 1: PROJECTED REVENUES											
Affordable Housing Trust Fund, January 1, 2026 through 2035											
Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Development Fees	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$21,400	\$214,000
PIL Construction	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500
Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$10,000
Total	\$34,900	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400	\$22,400	\$236,500

The Borough of Fanwood projects a total of \$236,500 in revenue and interest to be collected between January 1, 2026 and December 31, 2035. All interest earned on the account shall be used only for the purposes of affordable housing.

When this projection is combined with the Borough's Affordable Housing Trust Fund balance of \$525,261 as of December 31, 2025, a total of \$761,761 for the purposes of affordable housing through 2035 is yielded.

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 Borough of Fanwood

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Borough's development fee ordinance and in accordance with all applicable rules, regulations and legislation.

(b) Distribution of development fee revenues:

The release of funds requires adoption of the governing body resolution in accordance with the spending plan. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the Trust Fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

The Borough of Fanwood anticipates using future trust funds for the following purposes:

(a) **Rehabilitation Program**

As described in Fanwood's Housing Element and Fair Share Plan, the Borough has a present need obligation of zero (0) units. However, the Borough will allocate up to \$100,000 for the continued operation of the Fanwood Housing Rehabilitation Program through 2035. The intent is to keep the program operational in the event that income-

qualified households should need assistance during Round 4. Should the full amount of \$100,000 not be required, any unused monies will be reallocated toward affordability assistance or extension of affordability controls, both as described below.

(b) Extension of Affordability Controls

During Round 4, affordability controls are set to expire for four (4) units on the Cottage Way/Terrill Road site (Block 26.01, Lots 2.01, 2.02, 14.01 and 14.02). Prior to termination of the existing affordability controls, the Borough will seek to extend affordability controls in accordance with its adopted Housing Element and Fair Share Plan and a Mediation Agreement with the Fair Share Housing Center that was executed on January 20, 2026. Accordingly, this Spending Plan allocates a total of \$160,000 to facilitate the extension of controls on the Cottage Way/Terrill Road site, with an average anticipated cost of \$40,000 per unit. In the event that the full amount of \$160,000 is not needed to extend controls on the Cottage Way/Terrill Road site, the Borough reserves its right to reallocate the funds to Affordability Assistance or any other purpose that is permissible by applicable rules and regulations.

(c) Affordability Assistance (N.J.A.C. 5:99-2.5)

N.J.A.C. 5:99-2.5(a) requires that municipalities set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipality's fair share plan.

In consideration of this requirement, Fanwood plans to allocate \$486,182, which is approximately 77.7 percent of all development fees collected and interest earned, to the provision of affordability assistance to very low-, low- and moderate-income households in affordable units included in its fair share plan.

Fanwood proposes a variety of mechanisms to provide affordability assistance to very low-, low- and moderate-income households, as follows:

- The Borough of Fanwood shall make trust fund monies available for Payment Assistance, including down payments, closing costs (e.g., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowners insurance, recording fees and other necessary closing expenses to third parties), payment of lenders fees (e.g., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses) and rental assistance (e.g., rental subsidies, moving expenses and security deposits). This program would also assist with security deposits, homeowners' association and condominium fees, special assessment fees, and assistance with emergency repairs for very low, low- and moderate-income households.

- The Borough shall develop a program to fund green building techniques, such as solar panel installations, at 100% affordable and inclusionary developments throughout the Borough. Green building techniques, such as the application of solar panels, could provide affordability assistance by reducing utility expenses. Group home properties would be eligible to participate in this project because they serve the very low-income population. The Borough will initially adopt a resolution committing to establishment of the program, after which a program manual will be prepared and adopted by the Governing Body. The program would be affirmatively marketed, with applicants encouraged to apply. The application would need to include a description of the proposed work, the need for the work, and the income cohorts of the residents living at the subject location. Information about the green building technique proposed, as well as the potential in energy savings would need to be provided. Price estimates for the proposed installation would need to be provided.

Table 2 includes the calculation of the affordability assistance through 2035.

TABLE 2: AFFORDABILITY ASSISTANCE CALCULATION		
		Total
Actual Development Fees and Interest through December 31, 2025	+	\$500,364.41
Projected Development Fees and Interest through 2035	+	\$224,000.00
Less Housing Activity in the Third Round	-	\$98,960.75
Total	=	\$625,403.66
Affordability Assistance Allocation	× .7774	\$486,182.00
Less Affordability Assistance Expenditures through December 31, 2025	-	\$0.00
Projected Affordability Assistance through 2035	=	\$486,182.00

It is important to note that N.J.A.C. 5:99-2.5 does not specify a minimum required amount or percentage of development fees collected and interest earned to be allocated to affordability assistance. While the Borough currently plans to allocate \$486,182, or approximately 77.7 percent of all development fees collected and interest earned to the provision of affordability assistance, it reserves its right to redirect funds from affordability assistance to the extension of affordability controls as described above, or to any other purpose in accordance with applicable rules and regulations.

(d) Administrative Expenses (N.J.A.C. 5:99-2.4)

Per affordable housing regulations, no more than 20 percent of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008 to fund a Regional Contribution Agreement, shall be expended on administration. The Borough projects that a maximum of \$15,579.64 will be available from the affordable housing trust fund to be used for administrative expenses.

TABLE 3: ADMINISTRATIVE EXPENSE CALCULATION		
		Total
Actual Development Fees and Interest through December 31, 2025	+	\$500,364.41
Projected Development Fees and Interest through 2035	+	\$224,000.00
Total for Administrative Expense Calculation through 2035	=	\$724,364.41
20% Maximum for Administrative Expenses	× .20	\$144,872.88
Less Admin through December 31, 2025	-	\$129,293.24
Maximum Available for Administrative Expenses through 2035	=	\$15,579.64

Projected administrative expenditures, subject to the 20-percent cap, are as follows:

1. Expenditures for consultant and professional fees in connection with future revisions and amendments to the Housing Element and Fair Share Plan.
2. Preparation of this Spending Plan and revisions thereto as required by any future reviewing body.
3. Expenditures for consultant and professional fees in connection with future revisions to the affordable housing ordinances necessary to implement the Borough's Housing Element and Fair Share Plan.
4. Additional expenses and training for the Municipal Housing Liaison.
5. Expenditures for the provision of Administrative Agent services.
6. Expenditures for consultant and professional fees in connection with planning, development and implementation of affordable housing programs.
7. Expenditures for consultant and professional fees to further any section or proposal from the adopted Housing Element and Fair Share Plan, and revisions and amendments thereto.
8. Expenditures for professional fees for annual affordable housing monitoring and required reviews.
9. Municipal Housing Liaison and Administrative Agent training and on-going certification.
10. Research and preparation of the annual trust fund and affordable housing activity monitoring.
11. Preparation of the affordable housing monitoring reports.
12. Preparation of an affirmative marketing program.
13. Expenditures related to compliance with any process of the Affordable Housing Dispute Resolution Program.
14. Expenditures associated with functions carried out in compliance with the Uniform Housing Affordability Controls (UHAC).

15. Preparation of a Housing Element and Fair Share Plan and a Spending Plan to satisfy future Round 5 requirements.

Note that the foregoing list may not be exhaustive. The Borough reserves the right to use funds for any additional purpose permissible under the terms of N.J.A.C. 5:99-2.4.

Notwithstanding the above, note that the N.J.A.C. 5:99-2.2(f) stipulates that affordable housing trust funds shall not be expended:

1. To reimburse the municipality for activities that occurred prior to the authorization of a municipality to collect development fees.
2. On attorney fees or court costs to obtain a judgement of compliance or order of repose, including any associated administration costs.
3. On any costs in connection with a challenge to a determination of the municipality's fair share obligation; or
4. On any costs in connection with a challenge to the municipality's obligation, housing element or fair share plan.

4. EXPENDITURE SCHEDULE

The Borough of Fanwood intends to use affordable housing trust fund revenues as detailed in Table 4.

TABLE 4: EXPENDITURE SCHEDULE											
Projects/ Program	Projected Expenditure Schedule January 1, 2026 – December 31, 2035										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$100,000
Extension of Controls	\$0	\$0	\$0	\$0	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$160,000
Affordability Assistance	\$48,618	\$48,618	\$48,618	\$48,618	\$48,618	\$48,618	\$48,618	\$48,618	\$48,618	\$48,620	\$486,182
Administrative Expenses	\$1,558	\$1,558	\$1,558	\$1,558	\$1,558	\$1,558	\$1,558	\$1,558	\$1,558	\$1,557	\$15,579
Total	\$60,176	\$60,176	\$60,176	\$60,176	\$140,176	\$140,176	\$60,176	\$60,176	\$60,176	\$60,177	\$761,761

5. EXCESS OR SHORTFALL OF FUNDS

In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated to rehabilitation, extension of affordability controls, and/or affordability assistance program, and/or additional affordable housing activity in accordance with applicable rules and regulations.

In the event that a shortfall of anticipated revenues occurs, the Borough of Fanwood will address the shortfall of funds through an alternative funding source to be identified by the Borough or by adopting a resolution with an intent to bond. Alternatively, the Borough may amend its Spending Plan to reduce the amount of funds available for the affordability assistance program.

6. BARRIER-FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Borough of Fanwood's Affordable Housing Ordinance and in accordance with applicable rules.

7. SUMMARY

The Borough intends to spend affordable housing trust fund revenues pursuant to applicable rules, and to be consistent with the housing programs outlined in the Housing Element and Fair Share Plan.

The Borough estimates a total of \$761,761 to fund its affordable housing program through December 31, 2035. This includes the available balance of the Affordable Housing Trust Fund as of December 31, 2025, and projected development fees and interest through 2035.

The Spending Plan summary is provided below.

TABLE 5: SPENDING PLAN SUMMARY		
		Total
Balance		\$525,261.00
Projected Revenue Through 2035		
Development fees	+	\$214,000.00
Payments in lieu of construction	+	\$12,500.00
Other funds	+	\$0.00
Interest	+	\$10,000
Total Available Funds		\$761,761
Rehabilitation	+	\$100,000
Extension of Affordability Controls	+	\$160,000
Affordability Assistance	+	\$486,182
Administration	+	\$15,579
Total Projected Expenditures	=	\$761,761
Remaining Balance	=	\$0

* Actual affordability assistance shall be calculated on an ongoing basis, based on actual revenues.

** Administrative expenses are limited to 20 percent of what is actually collected.