

**HOUSING ELEMENT AND FAIR SHARE PLAN
FOURTH ROUND: 2025- 2035**

Prepared For:

**TOWNSHIP OF BERKELY
COUNTY OF OCEAN
STATE OF NEW JERSEY**

June 9, 2025
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N.B. The original of this document was signed and sealed as per N.J.A.C. 13:41-1.3.b

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TABLE OF CONTENTS

1.0	INTRODUCTION	1
1.1.	Background	1
1.2.	Municipal Overview.....	3
1.3.	Required Contents of Housing Element.....	4
1.4.	Consistency with the State Development and Redevelopment Plan	5
2.0	HOUSING PLAN ELEMENT	6
2.1	Housing Stock: Occupancy and Physical Characteristics	6
2.1.1	Occupancy and Housing Unit Type.....	6
2.1.2	Housing Units by Age	6
2.1.3	Substandard Housing Conditions	7
2.2	Housing Stock: Value and Affordability	7
2.2.1	Value of Owner-Occupied Units	7
2.2.2	Rental Units.....	8
2.3	Demographics	8
2.3.1	Population and age.....	8
2.3.2	Household Size.....	9
2.3.3	Household Income.....	11
2.4	Existing and Future Employment and Population Projection	11
2.4.1	Employment Status	11
2.4.2	Employment by Industry	12
2.4.3	Population and Employment Projections	13
2.5	Housing Stock Projection.....	13
2.5.1	Building and Demolition Permits by Year.....	13
3.0	FAIR SHARE PLAN	15
3.1	Present Need	15

3.1.1 As Determined and Addressed.....	15
3.2 Prior Obligation (1987-1999) and Third Round (1999-2025)	15
3.2.1 Numeric Obligation as Recognized.....	15
3.2.2 As Addressed	16
3.3 Fourth Round Obligation (2025-2035)	16
3.3.1 Numeric Obligation as Recognized.....	16
3.3.2 Formulas Having Applicability for Award of Credit	16
3.3.3 Summary of Satisfaction of the Township's Fourth Round Obligation:	17
3.3.4 Projects addressing the Obligation.....	18
4.0 APPENDIX	23

1.0 INTRODUCTION

1.1. Background

New Jersey affordable housing law began in 1975 when the Supreme Court decided *So. Burl. Cty. N.A.A.C.P. v. Tp. of Mt. Laurel*, 67 N.J. 151 (1975), commonly referred to as “Mount Laurel I.”, In Mount Laurel I, the Supreme Court ruled that the State Constitution required each “developing” municipality, through its land use regulations, to “make realistically possible the opportunity for an appropriate variety and choice of housing for all categories of people who may desire to live there”, including those of low and moderate income. Thus, the Supreme Court prohibited municipalities from using their zoning powers to prevent the development of affordable housing for low- and moderate-income households.

In 1983, displeased with progress of municipalities to zone for affordable housing in response to “Mount Laurel I”, the Supreme Court decided “to put some steel” into the doctrine. Specifically, it decided *So. Burlington Ct. N.A.A.C.P. v. Mount Laurel Tp.*, 92 N.J. 158 (1983), commonly referred to as “Mount Laurel II”. To facilitate the actual construction of affordable housing, the Court fashioned a judicial remedy, now commonly referred to as a “Builder’s Remedy”. That remedy created an incentive for developers to sue towns that had not complied with the doctrine and to force them to comply.

Mount Laurel II precipitated a flood of builder’s remedy suits creating pressure for a legislative solution to the Mount Laurel doctrine. Judge Serpentelli, one of three judges assigned to implement Mount Laurel II, decided the AMG case wherein he provided a fairly simple formula to enable any developer to easily determine a municipality’s fair share. This formula greatly simplified the process for developers to prove that a municipality was non-compliant and facilitated their ability to secure a builder’s remedy. The AMG decision dramatically increased the pressure for a legislative solution as developers sued municipalities across the state and stripped them of their home rule powers.

The pressure for a legislative solution culminated in the enactment of the Fair Housing Act (FHA) in 1985, roughly a year after Judge Serpentelli issued the AMG decision. The FHA created COAH, and conferred primary jurisdiction on COAH to administer the FHA and implement the affordable housing policies of our State. In January 1986, the Supreme Court decided *Hills Dev. Co. v. Bernards Twp.*, 103 N.J. 1 (1986), commonly referred to as “Mount Laurel III”, wherein the Court declared the FHA to be constitutional and directed trial judges to follow the decisions of COAH “wherever possible”.

The FHA, as enacted in 1985, gave municipalities six years of protection from when COAH certified their affordable housing plans. Consequently, the FHA directed COAH to promulgate regulations from “time to time” so that at any given time, there would be a body of regulations which any municipality could use to determine and satisfy its obligations. To implement the FHA, COAH adopted regulations for each housing cycle. It adopted regulations for Round One in 1986; for Round Two in 1994; and for the Round Three in 2004. The Appellate Division invalidated the first version of COAH’s Round 3 regulations in 2007 and COAH adopted new Round 3 regulations in 2008. In 2010, the Appellate Division invalidated the second iteration of COAH’s Round 3

regulations and, in 2013, the Supreme Court affirmed the Appellate Division's decision. The Supreme Court gave COAH five months to adopt valid regulations for Round 3 and then extended that deadline multiple times. After COAH failed to adopt Round 3 regulations a third time, the Supreme Court was out of patience. It decided In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), commonly referred to as "Mount Laurel IV". In Mount Laurel IV, the Supreme Court declared COAH to be "moribund" and turned over the task of implementing the Mount Laurel doctrine back to the trial courts. This time, instead of having three specialized judges preside over Mount Laurel cases, the Supreme Court assigned the task to 15 judges throughout the State.

On March 20, 2024, this all changed once again when Governor Murphy signed, P.L. 2024, C.2, into law, which substantially amended the FHA and created an entirely new affordable housing regulatory plan approval process (hereinafter "FHA II"). FHA II provided that a municipality could secure immunity by adopting a resolution to commit to a present need and Round 4 prospective need by January 31, 2025 and by filing a declaratory judgment action within 48 hours of adoption of the resolution. FHA II provided that a municipality could maintain that immunity if it filed an adopted Housing Element and Fair Share Plan by June 30, 2025. FHA II introduced a comprehensive structure for municipalities to meet their obligations, with key provisions including, but not limited to, the following:

- The abolishment of COAH and reassigning affordable housing oversight to a new entity known as the Affordable Housing Dispute Resolution Program (the Program), which consists of seven retired Mount Laurel judges and their Special Adjudicators, previously known as Court Masters. FHA II provided that if the Program judges, with the assistance of Adjudicators, could not resolve dispute amicably, a vicinage area judge would decide the matter.
- FHA II also required the Department of Community Affairs (DCA) to take over the monitoring of affordable units in every municipality in the state, and to draft and release a non-binding report calculating Fourth Round municipal Present and Prospective Need obligation for every municipality in the state. The DCA released its report on October 18, 2024.
- FHA II also ordered the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to adopt new Uniform Housing Affordability Controls, commonly referred to as the "UHAC" regulations.
- FHA II required 13% of the Fourth Round affordable units to be designated as very low-income units (30% of median income), half of which must be available to families with children.
- FHA II required 25% of affordable units to be rental housing units, half of which must be available to families with children.
- FHA II required 50% of the municipality's prospective need (exclusive of any bonus credits) to be available to families with children.
- FHA II required no more than 10% of the municipality's fair share obligation to be counted towards transitional housing.
- FHA II required no more than 30% of affordable housing units to be age-restricted (excluding bonus credits).

- FHA II required 40-year deed restrictions for new rental units, and 30-year deed restrictions for for-sale units.
- FHA II required any municipality that secures a vacant land adjustment (VLA) to provide realistic zoning through redevelopment for “at least 25 percent of the prospective need obligation that has been adjusted” or demonstrate why it is unable to do so.

The law also includes significant changes to the use of bonus credits which are now allocated based on the following:

- Special Needs/Permanent Supportive Housing: 1 bonus credit per 1 credit
- Housing created in partnership with a non-profit housing developer: $\frac{1}{2}$ bonus credit per 1 credit
- Housing located within half a mile radius of public transit stations (or one mile in Garden State Growth Zones): $\frac{1}{2}$ bonus credit per 1 credit
- Age-restricted housing: $\frac{1}{2}$ bonus credit per 1 credit
- Family housing with at least 3 bedrooms, above the minimum number required by the bedroom distribution requirement determined pursuant to the Uniform Housing Affordability Controls: $\frac{1}{2}$ bonus credit per 1 credit
- Redevelopment of sites previously used for retail, office, or commercial space: $\frac{1}{2}$ bonus credit per 1 credit
- Extending affordability controls on existing low- or moderate-income rental units, with municipal financial support: $\frac{1}{2}$ bonus credit per 1 credit
- For 100% affordable projects, municipalities that contribute land or at least 3% of the project’s cost to a fully affordable development: 1 bonus credit per 1 credit
- Very low-income housing for families beyond the required 13%: $\frac{1}{2}$ bonus credit per 1 credit
- Converting market-rate housing to affordable units, provided the municipality secures an agreement with the property owner or owns the property: 1 bonus credit per 1 credit

Limitation to the bonus credits:

- Municipalities are prohibited from using more than one type of Bonus Credit for any unit.
- No more than 25% of a Municipality’s Prospective Need obligation can be satisfied through bonus credits
- Bonus credit for age-restricted is limited only to a maximum of 10% of the total age-restricted units

On December 13, 2024, the Administrative Office of the Courts issued Administrative Directive #14-24 which established guidelines implementing the Program pursuant to section 5 of P.L.2024, c.2 (N.J.S.A. 52:27D-313.2).

1.2. Municipal Overview

The Township of Berkeley consists of a land area of approximately 42.7 square miles. The Township of Berkeley is located just south of Toms River, east of Manchester Township and north of Lacey Township. The Township is served by the Garden State Parkway and New Jersey Route

9, as well as a number of county roadways. In 2020, the Township had a population of 43,754 residents.¹

The Township includes several environmental features that limit development, such as water bodies, flood zones, wetlands, and forested lands. Additionally, parts of the Township fall within the Coastal Areas Facilities Review Act (CAFRA) boundary and the New Jersey Pinelands Commission, which imposes further regulatory restrictions on development.

1.3. Required Contents of Housing Element

The Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.) provides that a municipal Master Plan can include a housing element as the foundation for the municipal zoning ordinance. While the Housing Element is not identified under the Municipal Land Use Law as a required element of the master plan, it is nonetheless a required element of Berkeley Township's Master Plan inasmuch as the Township has an adopted zoning ordinance. Pursuant to N.J.S.A. 40:55D-62(a), a governing body may not adopt or amend a zoning ordinance, until and unless, the planning board would have adopted a land use plan element and housing plan element of the master plan.

FHA II provides that a housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. As per the FHA at N.J.S.A. 52:27D-310, the housing element must contain as follows:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1); and
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion

¹ US Decennial Census 2020, *Profile of General Population and Housing Characteristics, Table DP1*

to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L. 2021, c. 273 (C.52:27D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L. 2004, c. 120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

1.4. Consistency with the State Development and Redevelopment Plan

With respect to the State Development and Redevelopment Plan (SDRP), lands within the Township are assigned to one of the following planning area classifications: Suburban (PA 2), Environmentally Sensitive (PA 5 and PA 5B), and Park. The intent of the Suburban classification is to encourage more efficient and serviceable development patterns and reduce future trends toward sprawl. The major thrust of the Environmentally Sensitive classification is preservation of the ecological integrity of natural resources. The Park classification seeks to promote recreation as well as the preservation of natural resources.² Those areas that fall within the New Jersey Pinelands Commission area (the western portion) are regulated by the Comprehensive Management Plan (CMP).

² *The New Jersey State Development and Redevelopment Plan*, p. 186

2.0 HOUSING PLAN ELEMENT

2.1 Housing Stock: Occupancy and Physical Characteristics

2.1.1 Occupancy and Housing Unit Type

The 2020 US Census reported that Berkeley Township had 24,629 dwelling units, about 85% of which are occupied. Of the occupied units, about 50% are owner occupied with a mortgage or loan, about 36% are owner occupied without a loan, and about 14% rentals.^{3 4} Between 2010 and 2020, the number of dwelling units in the Township increased approximately 4%. Over that same period owner vs. renter occupancy rates have remained constant at about 85% and 15%, respectively.⁵

The 2023 5-year American Community Survey (ACS) indicates that approximately 94% of dwelling units are detached single-family, 4% multi-family (3 or more units), and 1% single-family attached. Mobile homes make up less than 1% of the housing inventory.⁶

Table 1: Units in Structure⁶

	Number of Units	Percent
1, Detached	23,321	93.8%
1, Attached	304	1.2%
2	130	0.5%
3 or 4	227	0.9%
5 to 9	272	1.1%
10 to 19	419	1.7%
20 or more	117	0.5%
Mobile Home	81	0.3%
Other	0	0.0%
Total	24,871	100%

2.1.2 Housing Units by Age

About 38% of the Township's housing stock was built over 50 years ago (1975 or earlier), while almost 52% of homes were built between 1976 and 1999. Housing growth, as shown in the table below, started to slow down in the 1990s and has continued. The 2023 ACS estimates that only 0.2% (53 units) of housing units have been built since 2020.

³ U.S. Census Bureau, 2020 Census Demographic and Housing Characteristics File (DHC), Table DP1, *Profile of General Population and Housing Characteristics*

⁴ U.S. Census Bureau, 2010 Census, Table H4, *Tenure*

⁵ U.S. Census Bureau, 2010 Census, Table H3, *Occupancy Status*

⁶ U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Table DP04, *Selected Housing Characteristics*

Table 2: Year Structure Built⁶

Year Built	Number	Percentage
1939 or earlier	742	3.0%
1940 to 1949	438	1.8%
1950 to 1959	1,651	6.6%
1960 to 1969	2,424	9.7%
1970 to 1979	7,362	29.6%
1980 to 1989	7,005	28.2%
1990 to 1999	2,572	10.3%
2000 to 2009	1,899	7.6%
2010 to 2019	725	2.9%
2020 and later	53	0.2%
Total	24,871	100%

2.1.3 Substandard Housing Conditions

P.L. 2024, C.2 requires that with respect to this calculation a methodology should be used that is “similar to the methodology used to determine third round municipal present need”. Third Round municipal present need calculations used three factors to calculate present need: the number of housing units lacking complete kitchen facilities, the number of units lacking complete plumbing facilities, and the number of overcrowded units. DCA issued Affordable Housing Obligations for 2025-2035 (Fourth Round), indicate that the Township has 150-unit rehabilitation obligation.

2.2 Housing Stock: Value and Affordability

2.2.1 Value of Owner-Occupied Units

According to the 2023 ACS (5-year estimate), the median value of a owner-occupied housing unit in the Township is \$277,200.⁶ Comparatively, the median value of owner-occupied housing in 2000 was \$102,100⁷ and \$198,600⁸ in 2010. This indicates that owner-occupied housing units experienced a 171.5% value increase since 2000 and about a 40% increase since 2010. In 2023, about 31%, of owner-occupied units had a price between \$300,000 and \$499,999, while 10% had a value between \$500,000 and \$999,999. ⁶

Table 3: Value of Owner-Occupied Units⁶

Value	Number of Units	Percent
Less than \$50,000	636	3.3%
\$50,000 to \$99,999	77	0.4%
\$100,000 to \$149,999	906	4.7%
\$150,000 to \$199,999	1,819	9.5%

⁷ US Census Bureau, Census 2000 Summary File 3, Table H076, Median Value (Dollars) For Specified Owner-Occupied Housing Units [1].

⁸ U.S. Census Bureau, 2006-2010 American Community Survey, Table DP04, Selected Housing Characteristics.

\$200,000 to \$299,999	7,806	40.9%
\$300,000 to \$499,999	5,858	30.7%
\$500,000 to \$999,999	1,836	9.6%
\$1,000,000 or more	170	0.9%
Total	19,108	100%
Median Value	\$277,200	

2.2.2 Rental Units

The 2023 5-year ACS indicates that the Township's median rent is \$1,623, representing a 28% increase from the median rent (\$1,175) in 2010.⁸ Approximately 60% of all rental units are priced above \$1,500 per month.⁶

Table 4: Gross Rent⁶

Cost	Number of Units	Percentage
Less than \$500	121	5.1%
\$500 to \$999	157	6.6%
\$1,000 to \$1,499	683	28.6%
\$1,500 to \$1,999	946	39.6%
\$2,000 to \$2,499	401	16.8%
\$2,500 to \$2,999	55	2.3%
\$3,000 or more	25	1.0%
Total	2,388	100%
Median	\$1,623	

2.3 Demographics

2.3.1 Population and age

Berkeley Township experienced two periods with significant population increases, between 1950 and 1960 and between 1970 and 1980. During these two periods, the population grew about 175% and 192%, respectively.¹

Table 5: Population Change by Decade⁹

Year	Population	Percent Change
1930	811	----
1940	1,127	39%
1950	1,550	37.5%
1960	4,272	175.6%
1970	7,918	85.3%

⁹ For Year 1940 to 2000: New Jersey State Data Center (NJSDC) 2000 Census Publication, New Jersey Population Trends: 1790 to 2000, Table 6. New Jersey Resident Population by Municipality: 1940 - 2000, page 45, <https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf>

1980	23,151	192.4%
1990	37,319	61.2%
2000	39,988	7.2%
2010 ¹⁰	41,255	3.2%
2020 ¹	43,754	6.1%

According to the 2020 US Census Bureau, the median age in the Township is 60.4.³ Comparatively the median age in 2000 and 2010 was 66.3 and 61.1 years old¹¹, respectively.¹² This decreasing median age, can be further inferred from overall demographic shifts. While the 2020 census indicates that the population of those younger than 44 has increased since 2000, from 30% to 33%, the population aged 65 and older has been steadily declining, from 52% in 2000 to 40%.

Table 6: Population by Age³

Age	Total	Percentage
Under 5 years	1,270	2.90%
5 to 9 years	1,509	3.40%
10 to 14 years	1,695	3.90%
15 to 19 years	1,583	3.60%
20 to 24 years	1,442	3.30%
25 to 29 years	1,529	3.50%
30 to 34 years	1,670	3.80%
35 to 39 years	1,736	4.00%
40 to 44 years	1,807	4.10%
45 to 49 years	1,882	4.30%
50 to 54 years	2,200	5.00%
55 to 59 years	3,235	7.40%
60 to 64 years	4,295	9.80%
65 to 69 years	4,552	10.40%
70 to 74 years	4,510	10.30%
75 to 79 years	3,542	8.10%
80 to 84 years	2,442	5.60%
85 years and over	2,855	6.50%
Total	43,754	100%
Median Age		60.4 years

2.3.2 Household Size

Understanding household size can help determine the demand for different types of housing units and provide insight into demographic shifts over time. In 2010, the average household size within

¹⁰ U.S. Census Bureau, 2010 Census, Sex by Age, Table P12.

¹¹ U.S. Census Bureau, 2010 Census, Median Age by Sex, Table P13.

¹² U.S. Census Bureau, 2000 Census, Median Age by Sex, Table P013

the Township was 2, while the average family size was 2.57. These averages have continued to increase due to the influx of a younger population.

Table 7: Average Household & Family Size

	2010¹³	2023¹⁴
Average Household Size	2.00	2.01
Average Family Size	2.57	2.72

Of occupied units in the Township, 86% are owner-occupied and 14% are renter-occupied. Of those owner-occupied units, about 41% are occupied by a 2-person household and 37% by a 1-person household. For renter-occupied units, 1-person household make up 40%, while 2-person households represent about 32%.¹⁵

Table 8: Tenure By Household Size¹⁵

	Number	Percent
Total Occupied Units	21,040	100%
Owner occupied:	18,103	86.0%
1-person household	6,656	36.8%
2-person household	7,380	40.8%
3-person household	1,910	10.6%
4-person household	1,327	7.3%
5-person household	547	3.0%
6-person household	206	1.1%
7-or-more-person household	77	0.4%
Renter occupied:	2,937	14.0%
1-person household	1,167	39.7%
2-person household	931	31.7%
3-person household	406	13.8%
4-person household	225	7.7%
5-person household	124	4.2%
6-person household	43	1.5%
7-or-more-person household	41	1.4%

¹³ U.S. Census Bureau, 2006-2010 American Community Survey, Table S1101, Households and Families.

¹⁴ U.S. Census Bureau, 2019-2023 American Community Survey, Table S1101, Households and Families.

¹⁵ U.S. Census Bureau, 2020 Census, Tenure by Household Size, Table H12

2.3.3 Household Income

In 2023, the Township's median income was \$63,946 for households and \$93,995 for families. This represents an approximate 49% and 61% increase from 2010, respectively.¹⁶

Table 9: Household Income¹⁷

Income Range	Households	Families
Less than \$10,000	4.8%	2.9%
\$10,000 to \$14,999	2.0%	0.8%
\$15,000 to \$24,999	10.0%	3.1%
\$25,000 to \$34,999	11.0%	4.8%
\$35,000 to \$49,999	11.0%	9.3%
\$50,000 to \$74,999	18.9%	17.7%
\$75,000 to \$99,999	12.2%	15.7%
\$100,000 to \$149,999	15.6%	23.7%
\$150,000 to \$199,999	6.9%	9.5%
\$200,000 or more	7.7%	12.5%
Total	100%	100%
Median Income	\$63,946	\$93,995

According to the 2024 Affordable Housing Regional Income Limits by Household Size, which was prepared by Affordable Housing Professionals of New Jersey (AHPNJ), the median income level for Region 4 (Mercer, Monmouth, Ocean Counties) is \$91,038. This income level is set on a regional scale and is used to determine moderate, low, and very low-income levels. In Region 4 of New Jersey, which includes Berkeley Township, the moderate household income limit for one person is \$72,830, low-income limit for a one-person household is \$45,519, while very low-income one-person household income limit is \$27,311.¹⁸

2.4 Existing and Future Employment and Population Projection

2.4.1 Employment Status

About 46% of the Township's over 16 years old population is in the labor force, with 3% being unemployed.¹⁹

¹⁶ U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table SS1901, *Income in the Past 12 Months (2010 Inflation-Adjusted Dollars)*

¹⁷ U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Table S1901, *Income in the Past 12 Months (in 2023 Inflation-Adjusted Dollars)*

¹⁸ Affordable Housing Professionals of New Jersey (AHPNJ), 2024 Affordable Housing Regional Income Limits by Household Size, April 12 2024, https://ahpnj.org/member_docs/Income_Limits_2024_FINAL.pdf

Table 10: Employment Status¹⁹

	Population	Percentage
Population 16+ years and over	39,318	
In labor force	18,050	45.9%
Civilian labor force	18,050	45.9%
Employed	16,757	42.6%
Unemployed	1,293	3.3%
Armed Forces	0	0%
Not in labor force	21,268	54.1%
Unemployment Rate (Civilian Labor Force)	-	1.6%

2.4.2 Employment by Industry

About 27% of the labor force works in the “Educational Services, Health Care and Social Assistance Services” industry, about 13% in “Retail Trade”, and about 9% work in “Professional, scientific, and management, and administrative and waste management services”. Less than 1% of the employed civilian labor force works in the construction industry.

Table 11: Employment by Industry¹⁹

Industry	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	61	0.4%
Construction	1,601	9.6%
Manufacturing	878	5.2%
Wholesale trade	346	2.1%
Retail trade	2,189	13.1%
Transportation and warehousing, and utilities	1,244	7.4%
Information	298	1.8%
Finance and insurance, and real estate and rental and leasing	1,165	7.0%
Professional, scientific, and management, and administrative and waste management services	1,530	9.1%
Educational services, health care and social assistance	4,473	26.7%
Arts, entertainment, and recreation, and accommodation and food services	1,353	8.1%
Other services, except public administration	623	3.7%
Public administration	996	5.9%
Total (Civilian employed population 16 years and over)	16,757	100%

¹⁹ U.S. Census Bureau, 2019-2023 American Community Survey, Table DP03, Selected Economic Characteristics

2.4.3 Population and Employment Projections

The North Jersey Transportation Planning Authority (NJTPA) is the federally funded Metropolitan Planning Organization (MPO) for the northern New Jersey Region, which includes Ocean County. The organization projects that the thirteen-county Region will gain over 465,193 jobs from 2015 to 2050, with Ocean County gaining 5.9% of that growth (ninth in the region). NJTPA also projects an increase of 1,055,107 residents from 2015-2050 within the Region, with the County gaining 9.4% of the population increase.²⁰

According to NJTPA's published population and employment projections for the years 2015-2050, Berkeley Township's population and employment will increase, albeit at a modest pace. As indicated below the Township's population is expected to increase 26% between 2015 and 2050, or an average of 0.7% per year. In line with this increase in population, the Township is projected to have a job increase of 2,302, representing an annualized percentage change of 0.9%.

Table 12: Population & Employment Projections²⁰

Year	Population	Percent Change	Employment	Percent Change
2015	41,532	----	6,394	---
2050	52,358	26.1%	8,696	36.0%

2.5 Housing Stock Projection

2.5.1 Building and Demolition Permits by Year

FHA II requires that Housing Plans include a projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate. As indicated below, annual building permit issuance in the Township from 2013 through 2023 averaged 97 units, while annual demolition permit issuance averaged 36 units.

Table 13: Housing Unit Building and Demolition Permits by Year

Year	Building Permits Issued For New Constructed ²¹	Housing Demolition Permits ²²
2013	78	111
2014	115	61
2015	88	40
2016	86	4
2017	116	2
2018	97	31

²⁰ North Jersey Transportation Planning Authority Appendix E-2050 Demographic Forecasts

²¹ New Jersey Department of Community Affairs (NJDCA), Building Permits: Yearly Summary Data

²² New Jersey Department of Community Affairs (NJDCA), Demolition Permits Yearly Summary Data

Year	Building Permits Issued For New Constructed ²¹	Housing Demolition Permits ²²
2019	92	48
2020	88	23
2021	115	29
2022	81	24
2023	106	23
Average	96.5	36
5-Year Projection (2028)	483	180
10-Year Projection (2033)	965	360

3.0 FAIR SHARE PLAN

This Fair Share Plan sets forth Berkeley Township's affordable housing obligation and explains how the Township is satisfying its obligation.

The Township's fair share is 969, consisting of a Present Need (Rehabilitation) Obligation of 150, a Prior Round Obligation (1987-1999) of 610, a Third Round Obligation (1999-2025) of 0 units²³, and Fourth Round Obligation (2025-2035) of 209 units.

Another way to construe this 969 obligation is that 150 is the present need and 819 is the prospective need otherwise known as the new construction component. The new construction obligation can be further broken down into 610 for Rounds 1 through 3 and 209 for Round 4.

3.1 Present Need

3.1.1 As Determined and Addressed

The Township accepts as its Rehabilitation Obligation the **150 units** as promulgated by the Department of Community Affairs (DCA) as the present need.

For the satisfaction of the Rehabilitation Obligation, the Township will continue to participate in the Ocean County administered Housing Rehabilitation Program, a rehabilitation program for substandard units occupied by low and moderate income year-round residents. While Ocean County will continue to provide its service of rehabilitation of substandard units, the Township will also institute its own rehabilitation program in order to help cover the likely gap between those units that will be rehabilitated by the County and the Township's 150 unit obligation.

3.2 Prior Obligation (1987-1999) and Third Round (1999-2025)

3.2.1 Numeric Obligation as Recognized

The Prior Round obligation of **610 units** and **Third Round Obligation of zero**, is as established by a Third Round JOR.

On March 2, 2017, the Planning Board adopted a Third Round Plan. This was subsequently endorsed by Township Council on March 27, 2017. On May 22, 2017, the Township received its Third Round Judgement of Compliance and Repose (JOR). While we will briefly describe past, details can be found in the Township's adopted Third Round Housing Element and Fair Share Plan.

²³ The Township's Third Round prospective need is zero (0) units as established by the May 22, 2017 Third Round Judgement of Compliance and Repose (JOR).

3.2.2 As Addressed

The Township identified a total of 826 credits without controls, applicable toward its Prior Round Obligation. These credits were as follows:

- Survey 1: 276 units approved by order of Judge Gibson in 1994.
- Survey 2: 550 units approved by order of Judge Serpentelli in 2000.

The Township exceeded its Prior Round obligation by 216 units, but the terms of the court-approved settlement agreement with Fair Share Housing Center (FSHC) stipulates that the Township waives rights that it may have, now or in the future, to any credits without controls beyond those needed to fulfil the 610-unit Prior Round obligation. As has been previously noted, the Township had a zero unit obligation in the Third Round.

3.3 Fourth Round Obligation (2025-2035)

3.3.1 Numeric Obligation as Recognized

The Township accepts the Fourth Round Obligation of **209 units** promulgated by the Department of Community Affairs (DCA).

3.3.2 Formulas Having Applicability for Award of Credit

Rental Obligation ((P.L. 2024, C. 2)): A municipality shall satisfy a minimum of 25% of its affordable housing units, exclusive of any bonus credits, to address its prospective need affordable housing obligation, through rental housing, including at least half of that number available to families with children.

Therefore, the Township's rental obligation is **53 units** ($209 \text{ units} \times 25\% = 52.2$, rounded up), half of which must be available to families with children. Thus, the Township has an obligation of rental housing for families with children of **27 units** ($53 \text{ units} \times 50\% = 26.5$, rounded up). While the Township will be providing a minimum of 16 rental units for families, all of these units were produced prior to the Fourth Round regulatory changes. To the extent necessary, the Township seeks a waiver from this requirement.

Total Units for Families with Children (P.L. 2024, C. 2): A municipality must provide 50% of its obligation available to families with children. Thus, the Township has an obligation to provide **105 units** for families with children ($209 \text{ units} \times 50\% = 105$, rounded up). While the Township will be providing a minimum of 62 units for families, all of these units were produced prior to the Fourth Round regulatory changes. To the extent necessary, the Township seeks a waiver from this requirement.

Age Restricted Housing Limitation or Age Restricted Cap (P.L. 2024, C. 2): Up to 30% of units towards municipality's prospective affordable housing obligation may be satisfied through age-restricted housing. Thus, the Township may be permitted to utilize **62 units** of its obligation towards age-restricted housing ($209 \text{ units} \times 30\% = 62.7$, rounded down).

Bonus Credits and Limitation (P.L. 2024, C. 2):

- **Special Needs/Permanent Supportive Housing:** A municipality may receive one bonus credit for each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing. There are 30 bedrooms for group homes in the Township. Therefore, the Township will utilize 30 bonus credits.
- **Age-restricted housing:** A municipality may receive $\frac{1}{2}$ bonus credit for each unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10% of units of age-restricted housing. Thus, the Township is able to claim bonus credit for only 6 age-restricted units ($62 \text{ units} \times 10\% = 6.2$).
- **Bonus Credit Maximum:** Pursuant to P.L. 2024, C. 2, no more than 25% of a Municipality's Prospective Need obligation (209 units) can be satisfied through bonus credits. Thus, the Township may satisfy its obligation up to **52 units** through bonus credits ($209 \text{ units} \times 25\% = 52.2$). The Township will satisfy **49 units** of its obligation through bonus credits.

3.3.3 Summary of Satisfaction of the Township's Fourth Round Obligation:

Berkeley Township's 209-unit Fourth Round Compliance Mechanisms	Credits	Bonuses	Total
Inclusionary Development – For Sale (Existing)			
Foxmoor Berkeley Associates	1	0	1
Homes for All, Inc. — Manitou Park Neighborhood Redevelopment Plan	41	0	41
100% Affordable -Age Restricted Rental (Existing)			
Bay Ridge I (87 units)	30	3	33
Bay Ridge II (95 units)	32	0	32
100% Affordable – Family Rentals (Existing)			
OCEAN, Inc. - No. 1	8	0	8
Bay Ridge I (8 units)	8	0	8
100% Affordable – Family for Sale (Existing)			
Habitat for Humanity	4	4	8
OCEAN, Inc. - No. 2	12	12	24
100% Affordable Special Needs Rental (Existing)			
Association for the Multiple- Impaired Blind	8	8	16
Preferred Behavioral Health of New Jersey	2	2	4
Ocean Mental Health Services (Anchor House)	9	9	18
Ocean Mental Health Services (Sharon's House)	4	4	8
Ocean Mental Health Services (Beacon House)	3	3	6
Ocean Mental Health Services (Park Avenue)	2	2	4

Ocean Mental Health Services (Point Pleasant Avenue)	2	2	4
Inclusionary Development – Family for Sale (Under construction)			
Homes for All, Inc. — Manitou Park Neighborhood Redevelopment Plan (Phase 4)	12	0	12
Total	178	49	227
Surplus	18		

3.3.4 Projects addressing the Obligation

The following subsections provide an overview of the site-specific crediting mechanisms to satisfy the Township's Fourth Round Obligation:

(a) Inclusionary Development - For Sale

Foxmoor Berkeley Associates

The Foxmoor Berkeley Associates development is an inclusionary development, which was approved for a total of 136 family-sale units. Of the total of 136 units, 15 were to be affordable, family-sale units. The developer made a payment-in-lieu of construction for 13 affordable units and constructed two units onsite. However, one of the affordable units has since been foreclosed on, resulting in the loss of the affordability controls. One (1) affordable unit remains on Block 973.03, Lot 15, which is located on Dolphin Circle West; tax records indicate that the unit was constructed in 2000.

Credits:	1
<u>Bonus Credits:</u>	0
Total Credits:	1

Homes for All, Inc.

In 2003, the Township entered into a developer's agreement with Homes for All, Inc., a non-profit developer, to develop a total of 82 family-sale units in the Manitou Park neighborhood. AS indicated in AHMS, the Township has committed over \$500,000 from its affordable housing trust fund to assist Homes for All, Inc. with engineering costs, permitting, and extension of water and sewer lines to the tract; and, conveyed numerous sites on Blocks 30, 36, 37, 38, 39, 40, 42, 44, 45, 48, 49, 50, 51, 53, 54, 55, 59, 60, 62, 63, 65, 67, 68, 70, 73, 76, and 77 to the developer. Of the 82 family-sale units, a maximum of 50% were to be market-rate, a maximum of 40% affordable to moderate-income families; and, a minimum of 10% affordable to low-income families. All 41 affordable units have been constructed and sold.

Credits:	41
<u>Bonus Credits:</u>	0
Total Credits:	41

Homes for All, Inc. - Phase 4

Phase 4 of the Manitou Park Neighborhood Redevelopment Plan, which is generally located adjacent to the other Homes for All, Inc. project described above, includes numerous sites on

blocks 25, 26, 28, 29, 30, 32, and 33. The redeveloper's agreement indicates that the redevelopment will result in at least 60 units, of which 20% must be affordable (12 units). This project is currently under construction but has yet reach buildout. While the redevelopment plan requires that at least five of the affordable units be affordable to very low-income households, the Township, Homes for All and FSHC, discussed changes to the original agreement that modified the original terms. This amended developer's agreement continues to stipulate that 12 units will be produced.

Credits:	12
<u>Bonus Credits:</u>	0
Total Credits:	12

(b) 100% Affordable - Age Restricted Rental

Bay Ridge I and II

Bay Ridge I is located along US Route 9, on Block 858.17, Lot 17. It is an existing, 95-unit apartment complex, with 87 age-restricted units completed in 1984. Bay Ridge II is located on Block 858.17, Lot 18, and contains 95 age-restricted units completed in 1989. Both developments are run by the Berkeley Township Housing Authority, and subject to HUD affordability controls.

Credits:	62 ²⁴
<u>Bonus Credits:</u>	0
Total Credits:	62

(c) 100% Affordable Family Rental

OCEAN, Inc. - No. 1

In 1998, OCEAN, Inc., a non-profit developer, received approvals for two (2) minor subdivisions in the Manitou Park neighborhood. These subdivisions resulted in the creation of eight (8) low- and moderate-income, family-rental units, which are subject to affordability controls. These units contain 3 or 4 bedrooms each, and are located on:

- Block 76, Lots 406.01 and 406.02
- Block 38, Lots 122.01, 122.02 and 123.01
- Block 39, Lots 110.01 and 110.02
- Block 60, Lot 571

Credits:	8
<u>Bonus Credits:</u>	0
Total Credits:	8

²⁴ As described previously, pursuant to the age restricted housing cap (P.L. 2024, C. 2), the Township is only able to satisfy up to 30% of its prospective obligation via age-restricted units. In this case 30% of the prospective obligation is 62 units. While the Township has produced 120 credit worthy age restricted units, due to the cap, 120 cannot be applied and will be carried forward as potentially creditable items in future affordable housing compliance rounds.

Bay Ridge I

Bay Ridge I, as indicated above, is located along US Route 9, on Block 858.17, Lot 17. It is an existing, 95-unit apartment complex, which contains eight (8) family units completed. Completed in 1984 and run by the Berkeley Township Housing Authority, the property is subject to HUD affordability controls.

Credits:	8
<u>Bonus Credits:</u>	<u>0</u>
Total Credits:	8

(d) 100% Affordable Family Sale

Habitat for Humanity

The Township expended \$100,000 to subsidize four (4) family-sale units for low-income families on Block 30, lots 28, 46, 50 and 53. These houses, located in Manitou Park are all constructed and occupied. Due to the Township financial contribution, this project is eligible for 1 bonus credit per unit.

Credits:	4
<u>Bonus Credits:</u>	<u>4</u>
Total Credits:	8

OCEAN, Inc. - No. 2

In 2003, the Township conveyed 20 municipal lots to OCEAN, Inc. to facilitate the construction of affordable housing units. The Township expended \$500,000 to subsidize a total of 12 affordable, family-sale units and as this is more than 3% of the project cost, the project is eligible for a 1 for 1 bonus credit per unit. The municipal lots that were conveyed included the following:

- Block 572, lots 19 through 26 (vacant)
- Block 573, lots 28 through 31 (built)
- Block 568, lots 10 through 13 (vacant)
- Block 569, lots 14 through 16 and 18 (2 built)

Credits:	12
<u>Bonus Credits:</u>	<u>12</u>
Total Credits:	24

(e) 100% Affordable Special Needs - Rental

Association for the Multiple-Impaired Blind (AMIB)

The Association for the Multiple-Impaired Blind operates a group home along Muller Avenue, on Block 937, Lots 6 through 11. The group home contains six (6) bedrooms, is licensed by the State of New Jersey, and has been in operation since 1980.

In 2010²⁵, the Township provided \$160,000 to rehabilitate the group home and extend affordability controls. The rehabilitation resulted in two (2) additional bedrooms. Thus, there are now a total of eight (8) bedrooms. Occupancy is restricted to disabled adults.

Credits:	8
<u>Bonus Credits:</u>	<u>8</u>
Total Credits:	16

Preferred Behavioral Health of New Jersey

Preferred Behavioral Health of New Jersey operates a group home along Mallard Road, on Block 1837.10, Lot 8. The group home contains two (2) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2006. Occupancy is restricted to disabled adults.

Credits:	2
<u>Bonus Credits:</u>	<u>2</u>
Total Credits:	4

Ocean Mental Health Services (Anchor House)

Ocean Mental Health Services operates a group home along Harbor Court, on Block 896, Lot 470. The group home contains nine (9) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2008. Occupancy is restricted to disabled adults.

Credits:	9
<u>Bonus Credits:</u>	<u>9</u>
Total Credits:	18

Ocean Mental Health Services (Sharon's House)

Ocean Mental Health Services operates a group home along Pine Tree Road, on Block 847, Lot 11. The group home contains four (4) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2008. Occupancy is restricted to disabled adults.

Credits:	4
<u>Bonus Credits:</u>	<u>4</u>
Total Credits:	8

Ocean Mental Health Services (Beacon House)

Ocean Mental Health Services operates a group home along JFK Boulevard, on Block 882, Lot 2.01. The group home contains three (3) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2008. Occupancy is restricted to disabled adults.

Credits:	3
<u>Bonus Credits:</u>	<u>3</u>
Total Credits:	6

²⁵ According to Township records indicated in AHMS

Ocean Mental Health Services (Park Avenue)

Ocean Mental Health Services operates a group home along Park Avenue, on Block 842, Lot 6. The group home contains two (2) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2007. Occupancy is restricted to disabled adults.

Credits:	2
<u>Bonus Credits:</u>	<u>2</u>
Total Credits:	4

Ocean Mental Health Services (Point Pleasant Avenue)

Ocean Mental Health Services operates a group home along Point Pleasant Avenue, on Block 1062, Lot 19. The group home contains two (2) bedrooms, is licensed by the State of New Jersey, and has been in operation since 2006. Occupancy is restricted to disabled adults.

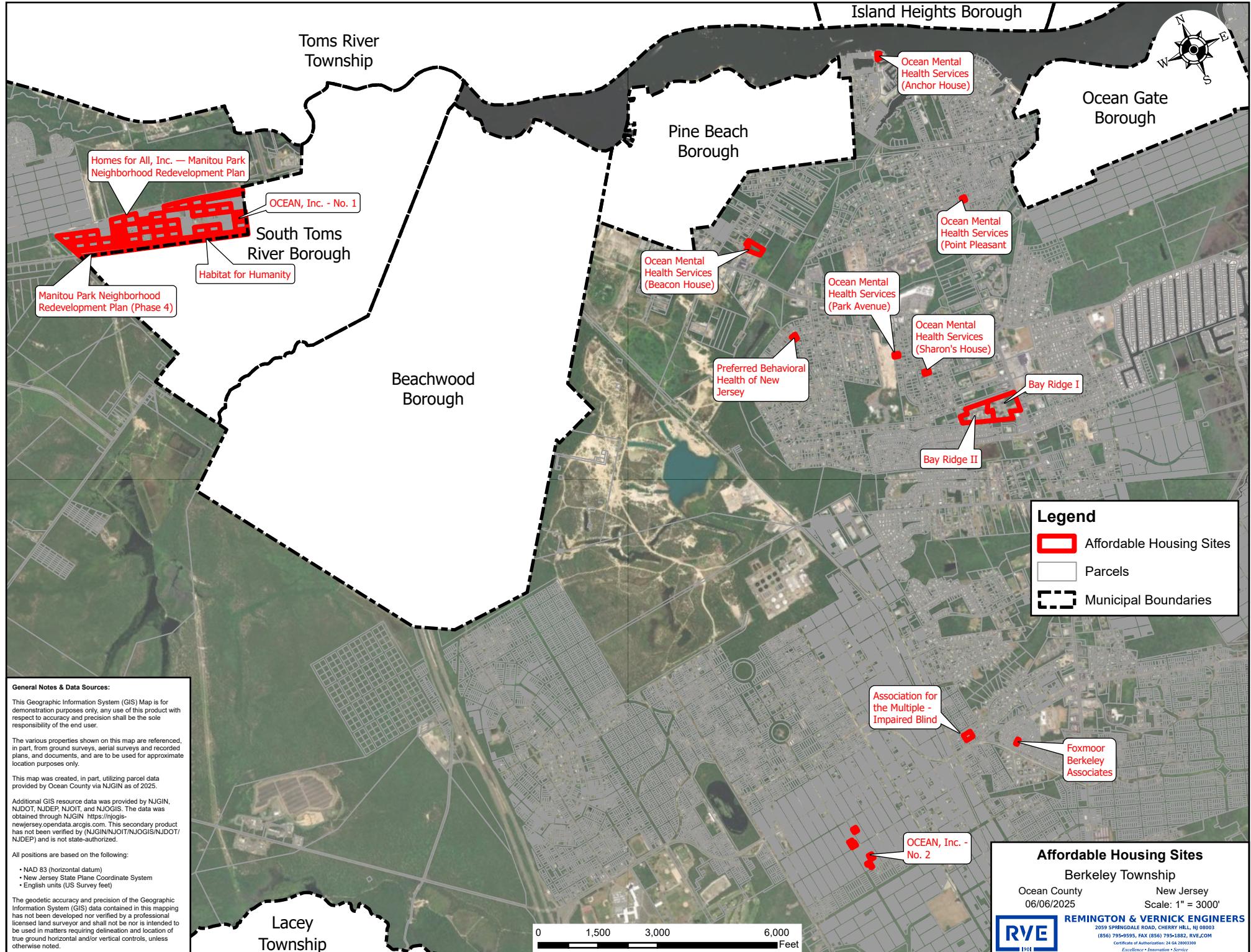
Credits:	2
<u>Bonus Credits:</u>	<u>2</u>
Total Credits:	4

4.0 APPENDIX

4.1 Affordable Housing Sites – Map

4.2 Spending Plan

Affordable Housing Sites – Map



Spending Plan

Berkeley Township Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The Township of Berkeley's Spending Plan was prepared in accordance with the Fourth Round Housing Element and Fair Share Plan rules and regulations signed into law March 20, 2024. While the Township intends to make minor modifications to the spending plan as a result of subsequent Court rulings, this spending plan is intended to project anticipated affordable housing trust fund revenues, expenditures, and the mechanisms for expenditure through December 31, 2035.

As of December 31, 2024, the Township of Berkeley had collected \$5,385,097 and expended \$945,650 in administrative costs and \$3,341,821 in other expenditures, thereby resulting in a balance of \$1,477,626¹. Pursuant to the Appellate Division authorization allowing for the adoption of a Development Fee Ordinance and restriction on expenditure of collected fees in the absence of a spending plan approved by the Court. All development fees and interest earned by the fees were deposited in a separate interest-bearing Affordable Housing Trust Fund in Ocean First Bank, located at 975 Hooper Avenue Toms River Township, These funds shall be spent in accordance with N.J.A.C. 5:93-8.16 as described in the sections below.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of third round substantive certification, Township of Berkeley considered the following:

(a) Development fees:

1. Residential and nonresidential projects which have been subject to development fees at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future residential development that is likely to occur based on historical rates of development.

¹ The CFO stated in an email that there's a \$380,000 discrepancy between what's stated in AHMS and the final bank statement in December 31,204 due to an Affordable Housing Agreement being encumbered. This amount is indicated in AHMS but has yet to be distributed.

(b) Payment in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers. To date, there are no actual or committed payments in lieu (PIL) of construction from developers.

(c) Other funding sources:

Berkeley Township does not anticipate collecting funds from other funding sources at the present time. Funds from other sources include, but are not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies to be deposited in the Affordable Housing Trust fund are anticipated to come from development fees.

(d) Projected interest:

Affordable Housing Trust Fund interest is based on the current rate of interest of 3.3%.

Table 1 below shows the anticipated revenue to be generated from development fees. Berkeley Township projects that a subtotal of \$1,824,130 (\$1,884,322 with interest) will be collected between January 1, 2025 and December 31, 2035 for affordable housing purposes, based on the assumptions that immediately follow the table. These projections are essentially extrapolations of historic trends and non-residential development approvals. After adding in the funds that were in the account as of the beginning of the year, the total is projected to be \$2,981,952.

Table 1: Projected Revenues, Housing Trust Fund- 2025 through 2035

Year Source of Funds	2024	2025	2026-2027	2028-2029	2030-2031	2032-2033	2034-2035	2025-2035 Total
Projected Residential Development	STARTING BALANCE (12/31/24)	\$92,452	\$ 184,904	\$ 184,904	\$ 184,904	\$ 184,904	\$ 184,904	\$1,016,972
Projected Non-Residential Development		\$ 73,378	\$146,756	\$146,756	\$146,756	\$146,756	\$146,756	\$807,158
Interest		\$5,472	\$10,945	\$10,945	\$10,945	\$10,945	\$10,945	\$60,192
Total	\$1,477,626	\$171,302	\$342,604	\$342,604	\$342,604	\$342,604	\$342,6044	\$3,361,948

Projected residential development is based on the construction of 44 new dwelling units per year. The 44 units were multiplied by \$210,117, which is the Township's average assessed value for a residential dwelling unit as indicated by the County. This estimate of \$9,245,148 of new yearly construction was then multiplied by 0.01 (1.0% residential development fee). The resulting amount of \$92,452 was projected for each calendar period to December 31, 2035. It is important to note that the Township has a development fee ordinance that requires 1.5% for subdivisions, and 1% for single- and two-unit developments on existing lots. We have used the smaller fee in our projection recognizing that some of these projected units will likely be included in projects that provide affordable units and are therefore exempt.

Projected non-residential development is based on development fees collected by the Township between 2015-2024. During this period, fees totaling \$733,783 were received. If averaged over the same period, the average annual development fee would be \$73,378.

As indicated in the Table above, Berkeley Township anticipates that a total of \$1,884,326 in revenue will be collected between January 1, 2025 and December 31, 2035 (\$1,016,972+ \$807,158+\$60,196).

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 Berkeley Township:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Berkeley Township's development fee ordinance for both residential and non-residential developments in accordance with the Department's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

A resolution recommending the expenditure of development fee revenues as set forth in this spending plan is adopted by the Planning Board and forwarded to the Council. The Council then reviews the request for consistency with the spending plan and, by resolution, adopts the recommendation.

Upon adoption of the Council's resolution, funds can be released in accordance with the Court-approved spending plan. The Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the Council's resolution following approval of a request by resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Berkeley Township may use the monies in the trust fund for any of the following items, pursuant to N.J.A.C. 5:93-8.16(a) and (c):

- New construction of affordable housing and related development costs; eligible costs for inclusionary development shall be pro-rated based on the proportion of affordable housing units that are included in the development.
- Extensions and/or improvements of roads and infrastructure to very-low, low- and moderate-income housing sites; costs for inclusionary development shall be pro-rated based on the proportion of affordable housing units that are included in the development.
- Purchase and/or improvement of land to be used for very-low, low- and moderate-income housing.
- Market-to-affordable programs.
- Green building strategies designed to save money for very-low, low- and moderate-income households, either for new construction not funded by other sources, or as part of necessary maintenance or repair of existing units.
- Rehabilitation, maintenance and repair of affordable housing units, if needed.
- Repayment of municipal bonds issued to finance affordable housing activity.
- Affordability assistance to very low-, low- and moderate-income buyers and renters of affordable housing units to lower the cost of homeownership, subsidize closing costs, or reduce the capitalized basis of rent payments.
- Affordability assistance to create very low-income and low-income units.
- Any other activity as specified herein.

Specific proposed expenditures are provided below:

Rehabilitation programs (N.J.A.C. 5:97-8.7)

Berkeley Township has a rehabilitation obligation of 150 units pursuant to the Present Need Obligation as promulgated by the Department of Community Affairs (DCA). Berkeley Township will establish an Affordable Housing Rehabilitation Program that will be partially underwritten through funds collected and deposited into the Township's affordable housing trust fund as permitted by law. The Township reserves the right to amend this spending plan as will be necessary to ensure continued compliance with regulations.

4. AFFORDABILITY ASSISTANCE (N.J.A.C. 5:93-8.16(c))

At least 30% of collected development fees shall be used to create very low-income units and provide affordability assistance to very-low, low- and moderate-income households in affordable units included in the Fair Share Plan.

Table 2 below shows the minimum amount anticipated being available for affordability assistance to very-low, low- and moderate-income households.

Table 2. Calculation of Affordability Assistance, 2025-2035

Development Fees from 7/17/08 to 12/31/24		\$5,226,391
Interest through 12/31/24	+	\$158,706
Projected Development Fees, 2025 through 2035	+	\$1,824,130
Projected Trust Fund Interest, 2025 through 2035	+	\$60,192
Total	=	\$7,269,419
30% Requirement	x.30	\$2,180,826
Less affordability assistance expenditures through December 31,2024	-	\$540,000
Projected minimum affordability assistance expenditures	=	\$1,640,82642
Projected minimum very low-income affordability assistance requirement	÷3=	\$546,942

Berkeley Township will dedicate \$1,640,826 from the affordable housing trust fund to render units more affordable, including \$546,942 to render units more affordable to households earning 30 percent or less of median income by region. Programs and activities for which funds will be spent will be determined from the following list:

- Affordability assistance to very low-, low- and moderate-income buyers and renters of affordable housing units to lower the cost of homeownership, subsidize closing costs and down payments, security deposits, emergency repairs funding and/or reduce the capitalized basis of the rent payments.
- Assistance with homeowners' association or condominium fees and special assessments.
- Affordability assistance to create very low-income and low-income units.
- Costs of emergency repairs to existing affordable for-sale and rental units.

5. ADMINISTRATIVE EXPENSES (N.J.A.C. 5:93-816.e)

Table 3. Calculation of Maximum Administrative Expense, 2025-2035

Development fees + interest collected, 7/17/08 thru 12/31/24		\$5,244,096
Projected development fees + interest, 2025-2035	+	\$1,884,326
Other Revenues	+	\$141,000
Total for Admin. Calculation	=	\$7,269,423
20% Maximum for Admin. Expense	x.20 =	\$1,453,885
Less Admin through 12/31/24	-	\$945,651
Available for Admin. 12/31/24 through 12/31/2025	=	\$508,234

Berkeley Township projects that \$508,234 will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, which are subject to the 20 percent cap, include:

- Administrative costs to underwrite professional consulting fees relating to the preparation and implementation of the Township's Fair Share Plan and any amendments thereto;
- Professional, legal, and court fees as they relate to the implementation of the Township's adopted and endorsed Housing Element and Fair Share Plan;
- Administrative fees related to the Municipally-sponsored new construction program; and
- Underwrite fees associated with the retention of a qualified administrative agent as may be found necessary.

The Township will not expend for administrative purposes in excess of the formula in Table 3 above.

6. EXPENDITURE SCHEDULE

The Township of Berkeley anticipates using affordable housing trust fund revenues to the benefit of very-low, low-, and moderate-income households, as set forth in the table below.

The expenditure schedule is summarized in Table 4 on the following page:

Table 4 Projected Expenditure Schedule by Year, 2025- 2035

Projects/Programs	Number of Units	2025	2026-2027	2028-2029	2030-2031	2032-2033	2034-2035	Total
Rehabilitation	150	\$-	\$242,578	\$242,578	\$242,578	\$242,578	\$242,576	\$1,212,888
Affordability Assistance		\$115,000	\$420,000	\$420,000	\$228,610	\$228,608	\$228,608	\$1,640,826
Administration		\$100,000	\$134,249	\$68,497	\$68,496	\$68,496	\$68,496	\$508,234
Total		\$215,000	\$796,827	\$731,075	\$539,684	\$539,682	\$539,680	\$3,361,948

7. SUMMARY

Berkeley Township intends to spend affordable housing trust fund revenues approved by the Court pursuant to N.J.A.C. 5:93-8.16 and consistent with the programs described in the Township's Housing Element and Fair Share Plan.

Berkeley Township has a balance of \$1,477,626 as of December 31, 204 and anticipates an additional \$1,884,322 in revenues through 2035 for a total of \$3,361,948. The municipality will dedicate \$1,212,888 towards rehabilitation, \$1,640,826 towards affordability assistance, and \$508,234 to administration.

Table 5: Spending Plan Summary, 2025-2035

REVENUES		
Balance as of 12/31/24		\$1,477,626
Projected Revenue from 12/31/2024 through 12/31/2035		
1. Development fees	+	\$1,824,130
2. Payments in lieu of construction	+	\$0
3. Other funds	+	\$0
4. Interest	+	\$60,192
TOTAL REVENUE	+	\$3,361,948
EXPENDITURES		
Rehabilitation	-	\$1,212,888
Affordability Assistance	-	\$1,640,826
Administration	-	\$508,234
TOTAL PROJECTED EXPENDITURES	=	\$3,361,948
REMAINING BALANCE	=	\$0