

Ordinance No.: 19-2021

Borough of Madison, Morris County

AN ORDINANCE AMENDING REGULATIONS PERTAINING TO THE AFFORDABLE HOUSING TRUST FUND  
IN ARTICLE VIII, AFFORDABLE HOUSING DEVELOPMENT FEES, SECTION 195-46

*Section 1. Article VIII. Affordable Housing Development Fees, Section 195-46. Fees; exemptions; collection; housing trust fund; use of fees.* Additions are shown as thus; deletions are shown as ~~thus~~.

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I. Affordable Housing Trust Fund.

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- (2) ~~Within seven days from the opening of the trust fund account, the Borough of Madison shall provide COAH with written authorization, in the form of a three party escrow agreement between the municipality, the bank, and COAH to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:94-6.16(b).~~
- (3) No funds shall be expended from the affordable housing trust fund unless the expenditure conforms to a spending plan approved by COAH Superior Court. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH or Superior Court.

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J. Use of Funds

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- (3) (b) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the third round municipal fair share plan to make them affordable to households earning 30% or less of median income. ~~The use of development fees in this manner shall entitle the Borough of Madison to bonus credits pursuant to N.J.A.C. 5:94-4.22.~~
- (4) The Borough of Madison may contract with a private or public entity to administer any part of its housing element and fair share plan, including the requirement for affordability assistance, ~~in accordance with N.J.A.C. 5:94-7.~~
- (5) No more than 20% of the revenues collected from development fees each year shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a housing element and fair share plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's unit, program and trust fund monitoring requirements. Development fee administrative costs are calculated and may be expended at the end of each year or upon receipt of the fees.

- (k) Monitoring. The Borough of Madison shall complete and return ~~to COAH all monitoring forms included in the annual monitoring report related to the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and the expenditure of revenues and implementation of the plan certified by COAH. All monitoring reports shall be completed on forms designed by COAH.~~ an annual Mount Laurel Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and the service list in this matter and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The CTM system shall also be used for this purpose if possible.

ADOPTED AND APPROVED

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ROBERT H. CONLEY, Mayor

Attest:

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ELIZABETH OSBORNE, Borough Clerk