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Adrian Febre, CPM



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Richard Bolan

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PRESIDENT**
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Jacqueline DeMuro
Douglas A. Herrick
Claire A. Padovano
Ryan P. Ullman

BOROUGH OF MAYWOOD
15 Park Avenue, Maywood, NJ 07607

RESOLUTION #90-26
A RESOLUTION OF THE BOROUGH OF MAYWOOD
ADOPTING FOURTH ROUND AFFORDABLE HOUSING SPENDING PLAN

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2 which amended various provisions of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq. (“Amended FHA”); and

WHEREAS, the Amended FHA sets forth that the Fourth Round period of affordable housing obligations shall run from July 1, 2025 through June 30, 2035 (“Fourth Round” or “Round Four”); and

WHEREAS, A municipality may not spend or commit to spend any affordable housing development fees, without first obtaining the approval of the expenditure as part of its compliance certification or by the New Jersey Department of Community Affairs (DCA); and

WHEREAS, the Governing Body of the Borough of Maywood, County of Bergen, State of New Jersey, adopted a development fee by Ordinance #5-17 in 2017; and


WHEREAS, the development fee ordinance establishes an affordable housing trust fund that includes development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units, and/or any other funds collected for affordable housing purposes; and

WHEREAS, the Borough has prepared a 2026 Affordable Housing Trust Fund Spending Plan, dated February 27, 2026; and

NOW THEREFORE, BE IT RESOLVED, by the Governing Body of the Borough of Maywood, Bergen County, New Jersey, that the Borough hereby adopts the Borough of Maywood Fourth Round Affordable Housing Trust Fund Spending Plan, prepared by Kauker & Kauker, LLC, which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately.

Date: March 10, 2026

APPROVED: 
Richard Bolan, Mayor

ATTEST: 
Barbara L. Dispoto, RMC/CMC
Borough Clerk

	Moved	Seconded	Ayes	Nays	Abstain	Absent	Recuse
Mayor Bolan							
Councilmember Bennin			X				
Councilmember DeMuro	X		X				
Councilmember Herrick		X	X				
Councilmember Padovano			X				
Councilmember Ullman			X				
Council President Flynn			X				

CERTIFICATION

I, Barbara L. Dispoto, Municipal Clerk of the Borough of Maywood in the County of Bergen and the State of New Jersey do hereby certify that the foregoing resolution is a true copy of the original resolution duly passed and adopted by the Governing Body at the meeting of March 10, 2026.

Date: _____

Barbara L. Dispoto, RMC/CMC
Borough Clerk

Borough of Maywood Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The Borough of Maywood, Bergen County 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.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the affordable housing regulations of the New Jersey Department of Community Affairs (the Department) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.). A development fee ordinance creating a dedicated revenue source for affordable housing was approved by the Borough Council in 2017 as Ordinance # 5-17. The ordinance establishes the Borough of Maywood affordable housing trust fund for which this spending plan is prepared. The Borough of Maywood will enter a three-party escrow agreement between the Borough of Maywood, Bank and appropriate state agency.

1. REVENUES FOR CERTIFICATION PERIOD (2025-2035)

As of December 29, 2025, the Borough of Maywood had an affordable Housing Trust Fund Account balance of \$86,429.90. 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 in a separate interest-bearing affordable housing trust fund in TD Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9, as described in the sections that follow.

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

- (a) Development fees:

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

(b) Payment in lieu (PIL):

Payments in lieu have not been collected or assessed.

(c) Other funding sources:

Funds from other sources, including, but 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.

(d) Projected interest:

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

The following table provides a breakdown by year of all sources of funds collected and/or anticipated during the substantive certification period (2026–2035), including projected development fees and interest earned at an assumed annual percentage yield of 2.53 percent, compounded annually.

Source of Funds	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
(a) Development Fees											
Approved Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Development Pending Approval	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Development	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$24,000.00	\$240,000.00
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(d) Interest ¹	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$475.00	\$4,750.00
Total Revenue	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$24,475.00	\$244,750.00

The Borough of Maywood projects a total of \$244,750 in revenue 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.

These projections were based upon a prior 6-year average of COAH fees collected from January 1, 2020 and December 31, 2025.

¹ Based on a calculation from the Borough’s Finance Department.

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 Maywood.

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with §211-25 of Maywood'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).

(d) Distribution of development fee revenues:

The administration of the Maywood Development Fee Spending Plan will be undertaken by the Borough Administrator and the Borough Treasurer with oversight approval of the Mayor and Council. First the Borough Administrator will recommend that the governing body approve the expenditure of development fee revenues. The governing body will review the request for consistency with the spending plan. If consistent with the plan, the governing body will adopt a resolution authorizing the use and release of trust fund monies for its intended use. Upon approval of the governing body resolution, the Borough treasurer will be authorized to release the funds.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) **Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)**

The Borough of Maywood will dedicate \$ \$165,589.00 to rehabilitation or new construction programs (see detailed descriptions in Fair Share Plan) as follows:

Rehabilitation program: \$ 165,589.00

Maywood participates in the Bergen County Home Improvement program. It is projected that funds in the amount of \$120,000 will be used from the Affordable Housing Trust Fund for the Rehabilitation program. The Borough has retained Triad Associates

to be the Administrative Agent that will assist with the administration of the Rehabilitation Program. Triad will provide the Affirmative Marketing Plan and the Operating Manual for the Rehabilitation program. According to the Operating Manual provided by Triad program financing is as follows:

Up to \$15,000 per unit may be available for improvements to eligible owner-occupied and renter-occupied units; the minimum average per unit rehabilitation hard costs shall be \$10,000 in accordance with N.J.A.C. 5:93-5.2(h)(2). If a particular unit requires more than \$15,000, the Borough will approve on a case-by-case basis, keeping with the requirement dictate that the minimum average per unit rehabilitation hard cost shall be \$10,000.

In order to leverage Borough's Affordable Housing Trust Funds, the Program Administrators will work with the applicants to apply to the Bergen County Home Improvement Loan Program. The Bergen County Program is funded and administered through the Bergen County Division of Community Development. The Home Improvement Loan Program provides technical assistance to qualified homeowners and makes 0% interest, deferred payment, property improvement loans of up to \$18,500 to correct substandard housing conditions and to eliminate health and safety hazards. Homeowners accepted into the County program will utilize County funds first to correct substandard housing conditions. Additional Borough funds will be awarded as needed to complete final repairs needed to bring unit up to code.

New construction project(s): \$ 0

- (b) Affordability Assistance for Low and Very Low-Income families (N.J.A.C. 5:97-8.8)
- (c) The Borough of Maywood will dedicate at least 30% of all Development Fees and interest collected for rental assistance, security deposit assistance, down payment assistance and assistance with emergency repairs.
- (d) Use of Funds for Administrative Purposes pursuant to N.J.A.C.5:97-8.9
- (e) Other Eligible Affordable Housing Activities, such as Acquisition and or improvement of land to be used for affordable Housing, Green Building Strategies, Extensions or improvement of roads or infrastructure N.J.A.C. 5:97-8.7

(a.) Administrative Expenses (N.J.A.C. 5:97-8.8)

AFFORDABILITY ASSISTANCE CALCULATION

Actual development fees through 12/29/25		\$86,429.90
Actual interest earned through	+	\$ 0
Development fees projected for 2026 - 2035	+	\$ 240,000
Interest projected 2026 - 2035	+	\$ 4,750
Total Fees	-	\$ 0
Total	=	\$331,179.90
Calculate 30 percent	x .30 =	\$ 99,353.97
Less Affordability assistance expenditures through 12/31/25	-	\$ 0
PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2026 through 12/31/2035	=	\$ 99,353.97
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2026 through 12/31/2035	÷ 3 =	\$ 33,117.99

The Borough of Maywood will dedicate a minimum of \$99,354.00 (rounded up from \$99,353.97) from the affordable housing trust fund to render units more affordable, including \$33,117.99 to render units more affordable to households earning 30 percent or less of median income by region. Affordability assistance will be provided in the form of down payment assistance, security deposit assistance, low interest loans, assistance with homeowner’s association or condominium fees and special assessments, and assistance with emergency repairs for both existing and proposed affordable housing units. The Borough works with Triad and Bergen County to identify eligible affordability assistance programs, once suitable recipients are identified in concert with Triad.

AFFORDABILITY ASSISTANCE PROGRAMS (Please refer to the Administrative Agent Operating Manual for further details on the operation of the Affordability Assistance program)

In accordance with N.J.A.C. 5:93-8.16, the Borough of Maywood will dedicate at least 30 percent of all development fees collected and interest earned to provide affordability assistance to very low-, low- and moderate-income households. The availability of the Borough’s Affordability Assistance Program will be noticed to all prospective tenants of affordable units

within the Borough. An income-eligible applicant for an affordable unit within the Borough may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

All requests for Affordability Assistance will follow the following steps:

1. Applicant submits application for affordable housing.
2. Administrative Agent reviews and processes application.
3. Administrative Agent notifies the Borough and prepares resolution authorizing assistance.
4. Borough adopts Resolution approving assistance.
5. Affordability assistance recipient signs an agreement with the Borough describing: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.
6. For Rent Security Deposit Assistance: assistance is provided directly to landlord.
7. Administrative Agent records assistance on master reporting spreadsheet.

SECURITY DEPOSITS FOR RENTERS

Prospective tenants of affordable housing units can apply to receive an interest-free loan from the Affordable Housing Trust fund for their security deposit. A loan of up to 1.5 times the affordable monthly rent is available to new tenants that qualify for a very low, low- or moderate-income rental unit:

1. The security deposit assistance will be in the form of a cash loan equal to the security deposit amount determined by the landlord and paid to the landlord on behalf of the tenant.
2. At the termination of the lease, the landlord will return the portion of the security deposit it determines to the Borough, along with interest earned. The tenant will repay any difference between the original security deposit amount and the portion returned by the landlord. Funds returned to the Borough will be placed in the affordable housing trust fund to be used for future security deposit assistance.
3. The Administrative Agent will administer the Borough's Security Deposit Affordability Assistance Program. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, an affordability assistance application will be completed and forwarded with all necessary documentation to the Administrative Agent. The affordability assistance recipient will sign a contract with the Borough which states the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information.

DOWN PAYMENT AND CLOSING COST ASSISTANCE

The down payment and closing cost assistance loan will be in the form of a secured second mortgage. The maximum amount of assistance is \$15,000 for income-eligible homebuyers. The loan will be forgiven if Buyer retains ownership and complies with the affordable housing regulations after five (5) years. If the Buyer elects to resell the unit or is found to violate the affordability regulations, the full amount of assistance will be payable to Borough and returned to the Affordability Assistance Funds.

Eligible closing cost fees include expenses paid at closing such as an attorney, title insurance and survey fees, appraisals, points, origination fees, recording taxes and fees, prepaid escrows for property taxes and insurance, structural inspection/engineer’s report and pest inspections, and the reimbursement of fees paid before loan closing (i.e., application, credit, flood certification, and appraisal fees). All closing costs must be reasonable and customary and may not exceed those normally charged on a conventionally financed home located in the area where the financed property is located.

Assistance from the Program shall be secured through a Mortgage and Mortgage Note in favor of the municipality executed by the property owner. The Mortgage and Mortgage Note will be executed at closing. The closing agent will record said documents with the County Clerk’s office upon the completion of the closing of the title. The original mortgage note shall be retained by the Administrative Agent and kept in the unit file. The Program mortgage must be listed on the HUD1 Settlement Statement and will precede the Affordable Housing Recapture Mortgage in the chain of title.

(c.) Administrative Expenses (N.J.A.C. 5:97-8.9)

ADMINISTRATIVE EXPENSE CALCULATION

Actual dev fees and interest thru 12/29/25		\$ 86,429.90
Projected dev fees and interest 2025 thru 2035	+	\$ 244,750
Payments-in-lieu of construction and other deposits thru 12/31/2025	+	\$ 0
Less RCA expenditures thru 12/31/25	-	\$ 0
Total	=	\$ 331,179.9
Calculate 20 percent	x .20 =	\$ 66,235.98
Less admin expenditures thru 12/31/25	-	\$ 0

PROJECTED MAXIMUM available for administrative expenses 1/1/2026 thru 12/31/2035	=	\$ 66,235.98
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The Borough of Maywood projects that \$66,235.00 (rounded down from \$66,235.98) will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20 percent cap, will include consulting fees, legal fees, personnel, office supplies and other administrative costs.

4. EXPENDITURE SCHEDULE

PROJECTS/PROGRAM S	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$16,558.90	\$165,589.00
Affordability Assistance	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$9,935.40	\$99,354.00
Administration	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$6,623.50	\$66,235.00
Total	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$33,117.80	\$244,750.00

5. EXCESS OR SHORTFALL OF FUNDS

In the event of any expected or unexpected shortfall if the anticipated revenues are not sufficient to implement the plan, the Borough of Maywood will consider adopting a resolution of intent to bond or a resolution appropriating funds from general revenue for any anticipated shortfall in a municipal rehabilitation program or municipal construction project.

In the event more funds than anticipated are collected, projected funds exceed the amount necessary to implement the Fair Share Plan, or the Borough of Maywood is reserving funds for affordable housing projects to meet a future affordable housing obligation, these excess funds will be used for the Affordable Housing Assistance program or the Rehabilitation Program.

6. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with Maywood's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5.

The Borough of Maywood describes the collection and distribution of barrier free funds in Chapter 211, Article IV, §211-25 and §211-27 of the General Legislation ordinance, entitled Development Fees.

SUMMARY

The Borough of Maywood intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing programs outlined in the Housing Plan Element dated February 11,2022.

The Borough of Maywood has a balance of \$ \$86,429.90 as of December 29, 2025, and anticipates an additional \$244,750.00 in revenues through 2035 for a total of \$331,179.90. The municipality will dedicate \$99,354 towards Affordability Assistance for Low and Very Low- Income Families, Acquisition or Improvement of Land to be used for Affordable Housing, Green Building Strategies and Extensions or Improvement of Roads or Infrastructure, \$165,589.00 for Rehabilitation, and \$66,235 for Administrative costs. Any shortfall of funds will be offset by Municipal Funding. The municipality will dedicate any excess funds or remaining balance toward future Affordable Housing Needs.

SPENDING PLAN SUMMARY	
Balance as of 12/29/25	\$ 86,429.90
PROJECTED REVENUE 2026-2035	
Development fees	+ \$240,000
Payments in lieu of construction	+ \$ 0
Other funds	+ \$ 0
Interest	+ \$ 4,750
TOTAL REVENUE	= \$331,179.90
PROJECTED EXPENDITURES 2026-2035	
Funds used for Rehabilitation	- \$ 165,589.00
Funds used for New Construction	
. Other Affordable Housing Activities	- \$

1.Acquisition and or improvement of Land.	- \$
2.Green Building Strategies	- \$
3.Extensions or improvement of Land or Infrastructure	- \$
5.	- \$
6.	- \$
7.	- \$
8.	- \$
9.	- \$
10.	- \$
Affordability Assistance	- \$ 99,354
Administration	- \$ 66,235
Excess Funds or Remaining Balance Reserved for Additional Affordable Housing Activity	= \$
1. <i>[list individual projects/programs]</i>	- \$
2.	- \$
TOTAL PROJECTED EXPENDITURES	= \$ 331,178.00
REMAINING BALANCE	= \$ 1.90