

**Amended February 11, 2026**  
**Borough of Glen Rock**  
**Affordable Housing Trust Fund Spending Plan**

## INTRODUCTION

The Borough of Glen Rock (hereinafter the "Borough"), Bergen County, has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99) and the regulations of the Council on Affordable Housing ("COAH"), N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:91 Second Round and N.J.A.C. 5:97-8.10 Third Round procedural and substantive regulations. The Borough began collecting development fees in 2005 to be put towards their affordable housing trust fund.

As of **May 15, 2025**, the Borough has a balance of **\$917,432.39** in its Affordable Housing Trust fund. 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 account for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99 and N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:91 and N.J.A.C. 5:97-8.10 as described in the sections that follow as applicable.

### 1. REVENUES FOR CERTIFICATION PERIOD

It is anticipated that during the period of January 1, 2025 through June 30, 2035, which encompasses the period that the Borough will have a Fourth Round Judgment of Compliance and Repose (hereinafter "Fourth Round JOR"), the Borough is projected to add an additional **\$1,000,000** to its Affordable Housing Trust Fund. This is detailed below.

- (a) Development fees: The Borough does anticipate collection of residential and non-residential development fees between January 1, 2025 and June 30, 2035 assuming that, on average, the Borough will collect approximately **\$100,000** in development fees per year during the remainder of the Third Round and throughout the Fourth Round.

- (b) Payment in lieu (PIL): The Borough does not currently anticipate the contribution of any payments in lieu toward the municipal Affordable Housing Trust Fund during the period of its Fourth Round JOR.
- (c) Other Funds: The Borough does not currently anticipate the contribution of any other funds toward the municipal Affordable Housing Trust Fund during the period of its Fourth Round JOR.
- (d) Projected interest: It is estimated that the Borough will collect approximately **\$20,000** in total interest between January 1, 2025, through June 30, 2035. This figure assumes that, on average, the Borough will collect approximately \$2,000 in interest per year throughout the Fourth Round.

**PROJECTED REVENUES – AFFORDABLE HOUSING TRUST FUND  
JANUARY 1, 2025 THROUGH JUNE 30, 2035**

<b>SOURCE OF FUNDS</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>1/1/2035-6/30/2035</b>	<b>Total</b>
(a) Development fees:	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$50,000	<b>\$1,000,000</b>
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
(c) Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
(d) Interest	\$1,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$1,000	<b>\$20,000</b>
<b>Total</b>	\$51,000.00	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$51,000	\$1,020,000

In sum, the Borough projects a total of **\$1,020,00** in revenue to be collected between January 1, 2025 and June 30, 2035. This projected amount, when added to current trust fund balance of **\$917,432** results in a total anticipated trust fund balance of **\$ \$1,937,432** available to fund and administer the Borough’s affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

## 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:

- (a) Collection of development fee revenues: Collection of development fee revenues shall be consistent with the Borough's development fee ordinance for both residential and non-residential developments in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (FHA-2) (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99).
- (b) Distribution of development fee revenues: The Planning Board adopts and forwards a resolution to the Governing Body recommending the expenditure of development fee revenues as set forth in this spending plan. The Governing Body reviews the request for consistency with the spending plan and adopts the recommendation by resolution. 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

- (a) Rehabilitation. The Borough has a rehabilitation obligation of 0 units. The Borough has and will continue to participate in the Bergen County Home Improvement Program (BCHIP), to rehabilitate income qualified units in the Borough. Since this BCHIP does not provide funding to rental units, the Borough will contract with a professional Affordable Housing Administrator to administer a Glen Rock municipal Home Improvement Program – which will be open to both owners and renters –and will utilize funds appropriated from the Borough's Affordable Housing Trust Fund towards this program.

The Borough will set aside funding of \$100,000 for the first three years of the 10 year cycle for a total allocation of \$300,000 by the end of year 2028 initially and continue to monitor interest in this rehabilitation program in the allocation of funding from the Trust Fund. This program shall be reassessed annually to identify if sufficient funds are available to possibly increase the amount of funding available for this program.

- (b) Affordability Assistance and Borough Annex Project. In prior spending plans, N.J.A.C. 5:93-8.16(c), required an allocation for affordability assistance, although as amended

by the FHA-2 and N.J.A.C. 5:99-2.5, the spending plan no longer required to set aside a minimum amount of funding for this program. While the Borough has continued to satisfy the minimum amount of spending towards affordability assistance in prior plans, the Borough plans to continue to fund its affordability assistance program with funds projected in this plan. "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.

This allocation of funding is planned to fund the Borough's proposed affordability assistance program as detailed above and noted in the Appendix to this Plan. An allocation of \$58,122 per year or a total of \$581,229 by the end of 2035 is allocated to these programs. In addition, the Borough plans to fund the improvements to the municipally sponsored unit renovation/redevelopment of the borough Annex on Maple Avenue. An allocation of up to \$350,000 is allocated towards this expenditure. Further the Borough may seek to expand this program to assist affordability towards affordable housing options should discretionary funding become available as identified below in the category identified herein under emergent opportunities.

- (c) Administrative Expenses. Per N.J.A.C. 5:99-2.4(a), no more than 20% of all affordable housing trust funds shall be expended on administration. The Borough projects that a maximum of \$387,486 is estimated to be available from the affordable housing trust fund to be used for administrative purposes through June 30, 2035. Projected administrative expenditures, subject to the 20% cap, include the payment for the salaries and benefits for municipal employees and consultant fees related to costs as set forth at N.J.A.C. 5:99-2.4(b), (c) and (d).

**ADMINISTRATIVE EXPENSES**

Actual development fees + interest through 5/15/25		\$917,432.39
Development fees + interest projected 2025-2035	+	\$1,020,000.00
<b>Total</b>	=	\$1,937,432.39
20 percent requirement	x 0.20 =	\$387,486.48
Less administrative expenditures through 5/15/25	-	\$0.00
<b>PROJECTED MAXIMUM Administrative Expenses Requirement 2025-2035</b>	=	<b>\$387,486.48</b>

(d) Other Emergent Housing Opportunities. The Borough will reserve the remaining trust fund balance, projected to be up to **\$318,716** for other emergent opportunities to create affordable housing that may arise during the Fourth Round. The Borough shall seek approval for any emergent affordable housing opportunities not included in the Borough’s fair share plan in accordance with N.J.A.C. 5:99-4.1.

#### 4. EXPENDITURE SCHEDULE

The Borough intends to use affordable housing trust fund revenues for the creation of housing units, affordability assistance, and administration. Where applicable, the funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.

<b>EXPENDITURES</b>											
<b>PROJECTS/PROGRAMS</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>Total</b>
Rehabilitation	\$100,000.00	\$100,000.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$300,000.00</b>
Affordability Assistance	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	\$58,122.97	<b>\$581,229.72</b>
Annex Expenditure Budget	\$350,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>\$350,000.00</b>
Administration	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	\$38,748.65	<b>\$387,486.48</b>
<b>Subtotal</b>	<b>\$546,871.62</b>	<b>\$196,871.62</b>	<b>\$196,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$96,871.62</b>	<b>\$1,618,716.20</b>
Other Emergent Opportunities	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	\$31,871.62	<b>\$318,716.20</b>
<b>Total Allocated</b>	<b>\$578,743.24</b>	<b>\$228,743.24</b>	<b>\$228,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$128,743.24</b>	<b>\$1,937,432.39</b>

## 5. EXCESS OR SHORTFALL OF FUNDS

In the event of any expected or unexpected shortfall of funds necessary to implement the Fair Share Plan, the Borough will handle the shortfall of funds through an alternative funding source to be identified by the Borough and/or by adopting a resolution with an intent to bond. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated toward the Borough's additional affordability assistance and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

## 6. SUMMARY

The Borough intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:99 and consistent with the housing programs outlined in the Borough's Housing Element and Fair Share Plan.

The Borough has a balance of **\$917,432** as of May 19, 2025 and anticipates an additional **\$1,020,000** in revenues through June 30, 2035 for a total of **\$1,937,432**. During the period of the Borough's Fourth Round JOR through June 30, 2035, the Borough agrees to set aside **\$300,000** towards rehabilitation assistance, **\$581,229** towards affordability assistance **\$387,486** towards administrative costs, and should income be consistent with these projects up to **\$318,716** towards other emergent affordable housing opportunities that may arise during the Fourth Round (dependent upon actual income), totaling **\$1,937,432** in anticipated expenditures.

Any shortfall of funds will be offset by an alternative funding source to be identified by the Borough. In the unlikely event that no alternative funding is available, the Borough will bond to provide the necessary funding. The Borough will dedicate any excess funds or remaining balance toward its affordability assistance and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

SPENDING PLAN SUMMARY	
<b>Balance as of May 15, 2025</b>	<b>\$ 917,432.39</b>
<b>Projected REVENUE 2025-2035</b>	
Development fees	+ \$ 1,000,000.00
Payments in lieu of construction	+ \$0.00
Other funds	+ \$0.00
Interest	+ \$20,000.00
SUBTOTAL REVENUE	= \$1,020,000.00
<b>TOTAL REVENUE = \$ 1,937,432.39</b>	
<b>EXPENDITURES</b>	
Rehabilitation Program	- \$300,000.00
<b>Annex Construction/Rehabilitation Project</b>	
	\$350,000.00
Affordability Assistance *	- \$581,229.72
Administration	- \$387,486.48
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>= \$1,618,716.20</b>
Excess Funds or Remaining Balance Reserved for Additional Affordability Assistance and/or Affordable Housing Activity Necessary to Address Fourth Round Obligation	<b>= \$ 318,716.20</b>

\*The Borough reserves the right to adjust the affordability assistance allocation should future revenues fail to reach the anticipated levels.

## APPENDIX:

### FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM AND RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

#### FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

##### 1. Down Payment Loan Program.

The Borough may offer a Down Payment Assistance Loan program to qualified purchasers of households earning 80% or less of median income of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount, but may be used to fund additional closing costs. The loan amount may be made up to 10% of the purchase price.

The Borough must approve the Buyer's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a mortgage and mortgage note to the Borough.

##### 2. Payment of Closing Costs.

Eligible Buyers may receive payment of closing costs, i.e., 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, not to exceed one thousand five hundred dollars (\$1,500) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit. Utility deposits, i.e., gas and electric, paid to utility companies are to be returned to the Borough Affordable Housing Trust Fund upon resale of the unit. The buyer will execute documents required to secure payment to Glen Rock Borough.

### 3. Payment of Lender Fees.

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars (\$1,500) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit.

### 4. Administration.

Glen Rock's Affordability Assistance Programs are managed by the Glen Rock Borough Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Borough's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

- a. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.
- b. The Buyer must present proof to the Administrative Agent that he/she is qualified for Affordable Housing in the Glen Rock Borough.
- c. Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in Glen Rock Borough, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.
- d. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the name of the Attorney handling the sale for the Developer at closing.
- e. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage, and Repayment Agreement can be prepared by the Administrative Agent.
- f. The amount of the Down Payment Assistance must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative

Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Glen Rock Borough Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.

- g. The Glen Rock Borough Finance Department will generate the necessary forms and obtain Glen Rock Borough Council approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Glen Rock Borough if the closing is canceled, or if the sale is declared null and void. If there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.
- h. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Glen Rock Borough Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

#### RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

##### 1. Rental Assistance

Glen Rock Borough may offer a Rental Assistance Program that is managed by the Administrative Agent. Eligible recipients of the program are renters who qualify for a very-low, low- or moderate-income rental unit. The following assistance is available to very-low, low- and moderate-income households:

- a. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed five hundred dollars (\$500) per family.

b. Rent subsidies based upon size of household and number of bedrooms in apartment, which subsidies shall be limited to a time period of one (1) year per household:

- 1) One-bedroom, low-income unit -\$55 per month subsidy.
- 2) One-bedroom, moderate-income unit -\$100 per month subsidy.
- 3) Two-bedroom, low-income unit -\$100 per month subsidy.
- 4) Two-bedroom, moderate-income unit -\$200 per month subsidy.
- 5) Three-bedroom, low-income unit -\$150 per month subsidy.
- 6) Three-bedroom, moderate-income units -\$250 per month subsidy

The following assistance is available to very low-income households:

- a. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed one thousand five hundred dollars (\$1,500) per household.
- b. Rental security deposit -Deposits paid to landlord to be returned to the Borough's Affordable Housing Trust Fund upon termination of tenancy.
- c. Rent subsidies based upon size of household and number of bedrooms in apartment which subsidies shall be limited to a time period of one (1) year per household, but may be extended beyond one (1) year if affordable housing trust funds are available:
  - 1) One-bedroom - \$75 per month subsidy.
  - 2) Two-bedroom - \$125 per month subsidy.
  - 3) Three-bedroom - \$175 per month subsidy.

Rental assistance does not need to be repaid by the tenant. The amount of the rental supplement will be calculated initially based on the tenant's actual income and the rent level of the affordable units to help bring the total shelter costs down to 30% of the total household income or lower, if warranted by the particular household circumstances. If the tenant wishes to renew the lease, he/she must be re-income qualified and the rental supplement will be recalculated. If the tenant no longer qualifies for the rental assistance, he/she may renew the lease and stay in the unit, but will no longer receive rental assistance.

## 2. Administration.

Glen Rock Borough's Rental Unit Affordability Assistance Program will be administered by the Administrative Agent. The availability of the program shall be advertised continually on the Borough's website. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, the applicant will complete and provide an affordability assistance application to the Administrative Agent.

For qualified and approved payment of moving expense, the Administrative Agent will follow the Borough purchasing and requisition process for generating a check that is made out to the applicant. Once the check is produced, the Administrative Agent provides it to the applicant.

For qualified and approved payment of utility deposit, the Administrative Agent follows the Borough purchasing and requisition process for generating a check that is made out to the utility company. Once the check is produced, the Administrative Agent provides it to the applicant for payment to the utility company.

The affordability assistance recipient will sign a contract with Glen Rock Borough which states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.

The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within Glen Rock Borough and provided to all administrative agents of affordable units within Glen Rock Borough and advertised on the Borough's website.

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