

**BOROUGH OF NETCONG
MAYOR AND COUNCIL MEETING
FEBRUARY 12, 2026**

MINUTES OF THE MEETING OF THE MAYOR AND COUNCIL OF THE BOROUGH OF NETCONG HELD FEBRUARY 12, 2026 AT THE NETCONG MUNICIPAL BUILDING, 23 MAPLE AVENUE, NETCONG, NEW JERSEY COMMENCING AT 7:30 PM.

The meeting was called to order by Mayor Still at 7:30 PM.

PLEDGE OF ALLEGIANCE

STATEMENT OF OPEN PUBLIC MEETINGS ACT

The Borough Clerk read the following statement:

Adequate notice of this meeting as defined by the Open Public Meetings Act has been provided by:

1. Posting a notice of said meeting in the space provided for such announcements at the Borough Hall on January 9, 2026.
2. Publishing a notice in the Daily Record, the official newspaper of the Borough of Netcong on January 14, 2026 and emailing a copy to the Star Ledger on January 9, 2026.

ROLL CALL

Those in attendance this evening were Councilman Eddy, Councilman Barbaro, Councilman Laureys, Councilman Morton, Councilman Nametko, Councilman Sylvester and Mayor Still. Also, present was Mrs. Eckert, Borough Clerk and Mr. Blakeslee, Borough Administrator.

APPROVAL OF MINUTES

None presented.

PUBLIC PORTION OF MEETING

A Motion to Close the Meeting to the Public was made by Councilman Barbero and seconded by Councilman Morton.

Roll Call: 6 Yes

ORDINANCE ADOPTIONS

1. **Ordinance 2026-1-** AN ORDINANCE AMENDING CHAPTER 75, "SPECIAL IMPROVEMENT DISTRICT", OF THE CODE OF THE BOROUGH OF NETCONG

AND ADDING AN ADDITIONAL MEMBER TO THE BOARD OF TRUSTEES OF THE DISTRICT MANAGEMENT CORPORATION

Councilman. Laureys had a question on this ordinance. Mr. Bucco stated the SID will amend their bylaws.

A Motion to Read Ordinance 2026-1 by Title Only on Second Reading and a Hearing Held Thereon was made by Councilman Sylvester and seconded by Councilman Morton.

Roll Call: 5 Yes No: Councilman Laureys

A Motion to Close Public Hearing on Ordinance 2026-1 was made by Councilman Nametko and seconded by Councilman Laureys.

Roll Call: 5 Yes No: Councilman Laureys

A Motion to Adopt Ordinance 2026-1 was made by Councilman Nametko and seconded by Councilman Eddy.

Roll Call: 5 Yes No: Councilman Laureys

2. Ordinance 2026-2- AN ORDINANCE AMENDING CHAPTER 227 OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF NETCONG AND ABOLISHING THE BOARD OF RECREATION COMMISSIONERS, AND IN ITS PLACE, CREATING A RECREATION COMMITTEE

A Motion to Read Ordinance 2026-2 by Title Only on Second Reading and a Hearing Held Thereon Was made by Councilman Barbero and seconded by Councilman Morton.

Roll Call: 6 Yes

A Motion to Close Public Hearing on Ordinance 2026-2 was made by Councilman Laureys and seconded by Councilman Barbero.

Roll Call: 6 Yes

A Motion to Adopt Ordinance 2026-2 was made by Councilman Barbero and seconded by Councilman Morton.

Roll Call: 6 Yes

3. Ordinance 2026-3- AN ORDINANCE AUTHORIZING THE CHIEF OF POLICE TO EXECUTE AN APPLICATION FOR A CHARITABLE SOLICITATION PERMIT FOR NETCONG VOLUNTEER FIRE COMPANY NO. 1's "COIN DROP" FRIDAY, MAY 22, 2026, SATURDAY, MAY 23rd, 2026, JULY 10th, 2026, RAIN DATE SATURDAY, JULY 11, 2026 AND FRIDAY, AUGUST 21st, 2026, RAIN DATE SATURDAY, AUGUST 22nd, 2026, FRIDAY, OCTOBER 9, 2026, RAIN DATE SATURDAY, OCTOBER 10, 2026 AT THE INTERSECTIONS OF ALLEN STREET AND LEDGEWOOD AVENUE AND MAIN STREET AND ROUTE 46 AND ROUTE 183 IN THE BOROUGH OF NETCONG, COUNTY OF MORRIS, STATE OF NEW JERSEY

A Motion to Read Ordinance 2026-3 by Title Only on Second Reading and a Hearing Held Thereon was made by Councilman Sylvester and seconded by Councilman Barbero.

Roll Call: 6 Yes

A Motion to Close Public Hearing on Ordinance 2026-3 was made by Councilman Sylvester and seconded by Councilman Barbero.

Roll Call: 6 Yes

A Motion to Adopt Ordinance 2026-3 was made by Councilman Sylvester and seconded by Councilman Barbero.

Roll Call: 6 Yes

4. Ordinance 2026-4- AN ORDINANCE FIXING THE SALARIES OF CERTAIN OFFICERS AND EMPLOYEES OF THE BOROUGH OF NETCONG, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY

A Motion to Read Ordinance 2026-4 by Title Only on Second Reading and a Hearing Held Thereon was made by Councilman Nametko and seconded by Councilman Sylvester.

Roll Call: 6 Yes

A Motion to Close Public Hearing on Ordinance 2026-4 was made by Councilman Nametko and seconded by Councilman Laureys.

Roll Call: 6 Yes

A Motion to Adopt Ordinance 2026-4 was made by Councilman Nametko and seconded by Councilman Sylvester.

Roll Call: 6 Yes

CORRESPONDENCE

1. Email – 5 Britton St. - Fire Whistle Concern

Councilman Sylvester moved to file this.

BOROUGH ADMINISTRATOR REPORT

The Council was appreciative of the information given.

Rental Registration Report 2/10/26

January 2026 Report

18 rental inspections done during the month

2 COH resale inspections done

15 Rental Certificates issued

The online payment feature for rental registration fully launched the first week of February. We already had six landlords pay online between 2/3/26-2/7/26.

Year-to-Date Report

15 rental units issued

48 rental units in-progress*

**in-progress means one of these statuses: paid, scheduled inspection, failed inspection, getting missing information, under construction.*

COMMITTEE REPORTS

Finance & Insurance: J. Nametko J. Sylvester

Councilman. Nametko reported that the budget is still in progress. They are looking into different options to manage debt and plan to introduce the budget in May.

For the month of January 2026, the Borough had a total income of \$498,389.72 as compared to \$869,415.14 in 2025.

For the month of January 2026:

Miscellaneous Revenue Not Anticipated (MRNA):

In 2026 the Borough received \$22,471.35 compared to \$4,837.95 in 2025.

Other Licenses/Borough Clerks Fees:

The Borough received \$40,947.76 in 2026 compared to \$40,332.43 in 2025.

State Aid:

Nothing was received in 2026 or 2025.

Grants in Aid:

We received \$1,659.70 in 2026 and \$70,461.68 in 2025 for Grants in Aid.

Taxes Collected:

The Borough collected \$286,652.49 in 2026 compared to \$593,967.47 in 2025.

Water and Sewer Utility:

The Borough collected \$40,957.99 in 2026 compared to \$65,800.24 in 2025.

Solid Waste Utility:

The Borough collected \$105,700.43 in 2026 compared to \$94,025.37 in 2025.

Total Current Fund Year to Date:

The total Current Fund Income Year to date for 2026 is \$351,731.30 as opposed to \$709,589.53 in 2025.

Total Water and Sewer Utility to Date:

The total Water and Sewer Utility Income Year to date for 2026 is \$40,957.99 as opposed to \$65,800.24 collected in 2025.

Total Solid Waste Utility to Date:

The Solid Waste Utility Income Year to date for 2026 is \$105,700.43 as opposed to \$94,025.37 collected in 2025.

Total of all Funds to Date:

Total collected from all funds Year to date is \$498,389.72 in 2026 compared to \$869,415.14 in 2025.

Economic Development: T. Morton J. Nametko

- Rock Solid- in the final stages of interior design teams. Should be complete in two weeks and then will be submitted for zoning.
- Mt. View plans still in the works. Utility services are being addressed. There are also landscaping plans being completed.
- 83 Main St. will be memorialized at the February meeting. There should be 9 living units in that building.
- Shop Rite – nothing yet. Mr. Blakeslee provided some updates. Councilman Nametko mentioned they have a real estate sign up for the pad site.

Public Safety: J. Sylvester W. Barbero
(Police, Fire, Rescue)

Councilman Sylvester read his reports which will be included in the minutes. He wanted to recognize Jeff Jozowsky, Michael Kunkel, Miguel Pardo and Ray Bock who will receive meritorious awards from the 200 Club for an ice rescue they participated in February of 2025. He thanked all of our emergency service workers for the great job that they do.

Police Report

Motor Vehicle Check or Stop: 258
Check Property: 196
Administrative: 70
Radar Detail: 84
Check Business: 48
Local Ordinance Violation: 35
Check Schools: 38
Grand Total: 1128

Letters of Appreciation and Recognition:

I am writing to formally thank **Sgt. Joe Matits** for the outstanding service provided to my family and I on Dec 26, 2025.

We were unfortunately involved in a house fire the night after Christmas, and without the immediate response of Sgt. Joe Matits, the outcome may have been very different. The professionalism and lack of self-worry displayed not only by the Sgt., but everyone involved, was truly humbling to watch. Sgt. Matits was the first responder in the door. He helped maintain a sense of clarity while the room was still on fire, all while

maintaining an awareness of the necessary steps needed to extinguish the remaining fire, clear the house, and verify everyone was as comfortable as we could be in the snowfall.

After living in this town for 39 years, it is clear that the Netcong PD and all of the officers who work tirelessly every day, are sincerely dedicated to the Borough of Netcong and its people. It is also apparent that Sgt. Joe Matits is an integral part of the core structure of this department, and we are very grateful for his presence not only on that night, but many other situations, including my mother's most recent vehicle accident in front of Ron's Landmark. He not only assisted my mother at the scene; he also came back to check in on her after the incident.

Thank you Chief Coppolella for your leadership by example, and thank you Sgt. Joe Matits for your continued work and support in the small town of Netcong. You are truly appreciated.

I am writing to formally thank **Sgt. Keith Flaherty** for the outstanding service provided to my family and I on Dec 26 2025.

I've always been extremely thankful for the town that I was raised in. Netcong is a small town with a huge heart and even more compassion. There are a lot of people in this town that I have known for many years, including Chief Coppolella. I was lucky enough to grow up with Sgt. Flaherty, his brother and his family in this town. The night of our fire, Sgt Flaherty took his own personal time to arrive, help clean, board windows, and give his utmost support to us. I don't believe the Sgt. was even on duty at all that night. He came because he cared, and he stayed until it was over. One more reason I will forever be grateful and respectful to our law enforcement and first responders.

I just want to quickly express my gratitude to the Netcong Police Department for continuously serving this town, thank you for your leadership by hard work and example and to also thank Sgt. Flaherty for going above and beyond his normal daily duties.

Fire Department January 2026

Total Calls: 17

General Alarms: 10

Mutual Aid: 6

RIC Assignments: 1

MVA: 2

Total Members: 17

Time Volunteered: 99.9 Hours

Drills: 8

Admin Details: 2

Total Members: 27

Time Volunteered: 427.5 Hours

Fire Prevention

Total Inspections: 62

Total Violations Found: 117

Fire Safety Permits Issued: 18

Fire Dept. Follow-Ups: 2

Bureau Monthly Hours: 54 Hours

Additional Monthly Notes:

- Submitted 2025-year end LEA Report to the NJ Division of Fire Safety.
- Ordered a new Fire Prevention Vehicle with the assistance of Borough Staff.

Ambulance Squad-total year

Total # of Calls:536

Total Patients: 334

Trips to Hospital: 239

Total Mileage: 6821

Total Hours: 2330 hrs., 45 min.

Dept. of Public

Works & Utilities:

M. Eddy

T. Laureys

Councilman. Eddy read his reports. He is very proud of this DPW for their hard work with the recent snow storms.

February 2026

Road Department

- Performed snow removal and sidewalk clearing during multiple storm events.
- Conducted catch basin maintenance.
- Completed town-wide recycling collection.
- Cleaned and processed materials at the recycling center.
- Collected and chipped Christmas trees.
- Checked and maintained fluid levels on all trucks weekly.
- Completed brake repairs on three Police Department vehicles.
- Repaired potholes on Love Lane.
- Relocated snow from intersections to improve visibility and safety.

Water Department

- Conducted daily well monitoring.
- Prepared and submitted required water reports.
- Performed routine water sampling.
- Completed water meter repairs.
- Responded to mark-out requests.

Sewer Department

- No reportable activity for this period.

Buildings and Grounds

- Installed footings for new restroom facility.
- Placed new restroom units at DiRenzo Park.
- Met with electrician and JCP&L regarding new electrical service for the restroom facility.
- Coordinated repairs to AC unit at Firehouse No. 1 (Limbach).

OLD BUSINESS

None presented.

NEW BUSINESS

1. Special Projects Oversight Committee

The mayor stated he will form this committee. Candidates noted were:
Todd Morton, Joe Nametko, Bob Hathaway, the Mayor and the administrator.

PRIVILEGE OF THE FLOOR TO THE COUNCIL

Councilman Nametko had a comment about fire co. #2 had purchased a 1954 truck which was given to the town. The department would like to buy it back for \$1.00. Councilman Nametko made a Motion to sell the truck back for \$1.00 and Councilman Eddy seconded the motion.
Roll Call: 6 Yes

MAYOR'S COMMENTS

He wanted to congratulate all our volunteers and DPW employees for their hard work recently. He also wanted to express that we are still under drought conditions. Please conserve as much as possible.

RESOLUTIONS Voted by Block

1. **Resolution 2026- 27**-Setting Police Chief Salary
2. **Resolution 2026-28**-To Transfer Items of Appropriation in the 2025 Current Fund Reserve Budget in Accordance With N.J.S.A 40:4-58.

Councilman. Laureys asked for an explanation on the need for this resolution and how this works. Mr. Blakeslee explained the reasoning for this resolution.

3. **Resolution 2026-29**- Authorizing the Purchase of a 16,000 Pound Rated Vehicle Lift

A Motion was made by Councilman Sylvester and seconded by Councilman Eddy to approve the three resolutions noted above.
Roll Call: 6 Yes

ORDINANCE INTRODUCTIONS

1. **Ordinance 2026-5** - An Ordinance Authorizing the Police Chief to Execute an application for a Charitable Solicitation Permit for American Legion Ambulance Corp of Stanhope/Netcong's "Coin Drop" On June 5th, June 6th 2026 and On September 11th,

And September 12th, 2026 at The Intersections of Allen Street and Ledgewood Avenue and Main Street and Route 46 In the Borough of Netcong, County of Morris, State Of New Jersey

A Motion to Introduce Ordinance #2026-5 and Read by Title Only was made by Councilman Sylvester and seconded by Councilman Barbero.

Roll Call: 6 Yes

A Motion to Pass Ordinance #2026-5- on First Reading was made by Councilman Sylvester and seconded by Councilman Barbero.

Roll Call: 6 Yes

2. **Ordinance 2026-6-** Amending Chapter 153 Entitled "Excavations" of the Revised General Ordinances of the Borough of Netcong

A Motion to Introduce Ordinance #2026-6 and Read by Title Only was made by Councilman Eddy and seconded by Councilman Laureys.

Roll Call: 6 Yes

Motion to Pass Ordinance #2026-6- on First Reading was made by Councilman Eddy and seconded by Councilman Laureys.

Roll Call: 6 Yes

3. **Ordinance 2026-7-** An Ordinance Amending Chapter 276, "Water", of The Code of The Borough of Netcong and Clarifying the Process for The Installation of Multiple Meters on a Single Property

A Motion to Introduce Ordinance #2026-7 and Read by Title Only was made by Councilman Eddy and seconded by Councilman Laureys.

Roll Call: 6 Yes

A Motion to Pass Ordinance #2026-7- on First Reading was made by Councilman Eddy and seconded by Councilman Laureys.

Roll Call: 6 Yes

4. **Ordinance 2026-8-** An Ordinance of The Borough of Netcong Amending Chapter 194, "Land Development Procedures", Repealing and Replacing Chapter 194, Article XIV, "Affordable Housing", of The Code of The Borough of Netcong, New Jersey

A Motion to Introduce Ordinance #2026-8 and Read by Title Only was made by Councilman Morton and seconded by Councilman Eddy.

Roll Call: 6 Yes

Motion to Pass Ordinance #2026-8- on First Reading was made by Councilman Morton and seconded by Councilman Sylvester.

Roll Call: 6 Yes

5. **Ordinance 2026-9-** An Ordinance of The Borough of Netcong Amending Chapter 194, "Land Development Procedures", Repealing and Replacing Chapter 194, Article XIII, "Mandatory Development Fees", of The Code of The Borough of Netcong, New Jersey

A Motion to Introduce Ordinance #2026-9 and Read by Title Only was made by Councilman Nametko and seconded by Councilman Sylvester.
Roll Call: 6 Yes

A Motion to Pass Ordinance #2026-9- on First Reading was made by Councilman Nametko and seconded by Councilman Sylvester.
Roll Call: 6 Yes

6. **Ordinance 2026-10-** An Ordinance to Amend The "Phase 1 Amendment to The Station Area Redevelopment Plan," Dated August 2016

The Council discussed the specifics of the amendment.

A Motion to Introduce Ordinance #2026-10 with amendment and Read by Title Only was made by Councilman Nametko and seconded by Councilman Sylvester.
Roll Call: 5 Yes No: Councilman Laureys

Councilman. Nametko commented his concerns about this ordinance. Councilman. Laureys also had a comment. He is tired of being bullied by the state. That they are forcing towns to do this high-density housing. He feels this will also cause parking issues. There was further discussion by the Council on this issue.

A Motion to Pass Ordinance #2026-10- on First Reading was made by Councilman Nametko and seconded by Councilman Sylvester.
Roll Call: 5 Yes No: Councilman Laureys

REPORTS

A Motion to Incorporate All Reports into the Minutes was made by Councilman Eddy and seconded by Councilman Laureys.
Roll Call: 6 Yes

BILLS

A Motion to Pay All Bills When Funds are Available was made by Councilman Nametko and seconded by Councilman Sylvester.
Roll Call: 6 Yes

PUBLIC PORTION OF MEETING

A Motion to Close the Meeting to the Public was made by Councilman Laureys and seconded by Councilman Sylvester.

Roll Call: 6 Yes

CLOSED SESSION

A Motion to go into Closed Session was made by Councilman Eddy and seconded by Councilman Laureys at 8:16 PM.

RESOLUTION

Whereas, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975 permits the exclusion of the public from a meeting under certain circumstances; and

Whereas, this public body is of the opinion that such circumstances presently exist.

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

1. The public shall be excluded from the remaining portion of this meeting.
2. The general nature of the subject matter to be discussed is as follows:

Attorney Client Privilege: Potential Litigation Fire Co # 1 Firehouse
3. As nearly as can now be ascertained, the matter or matters to be discussed at this time will be disclosed to the public when such matters are resolved.

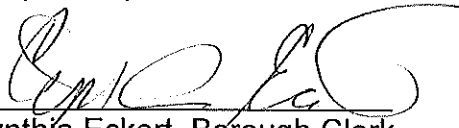
The Council came out of closed session and resumed the regular meeting at 8:28PM.

ADJOURNMENT

A Motion to Adjourn the Meeting was made by Councilman Sylvester, seconded by Councilman Barbero and passed by unanimous voice vote at 8:28PM.

Roll Call: 6 Yes

Respectfully Submitted,


Cynthia Eckert, Borough Clerk

AN ORDINANCE AMENDING CHAPTER 75, "SPECIAL IMPROVEMENT DISTRICT", OF THE CODE OF THE BOROUGH OF NETCONG AND ADDING AN ADDITIONAL MEMBER TO THE BOARD OF TRUSTEES OF THE DISTRICT MANAGEMENT CORPORATION

BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, as follows:

Section 1. Chapter 75, "Special Improvement District", Section 75-5, "District Management Corporation", Subsection A, is hereby amended to read as follows:

"A. Have a Board of Trustees consisting of ten members, chosen as follows:

(1) The Mayor of the Borough and one Council member appointed by the Council, each to serve a one-year term.

(2) Two residents of the Borough, who are not members of the Special Improvement District, to be appointed by the mayor with the advice and consent of the Borough Council for a two-year term.

(3) Six Trustees to be appointed by the currently serving Trustees of the Special Improvement District of Netcong Borough, Inc. ("District Management Corporation"), with the advice and consent of the Borough Council in accordance with the bylaws of the District Management Corporation."

Section 2. This Ordinance may be renumbered for codification purposes.

Section 3. All ordinances of the Borough of Netcong, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

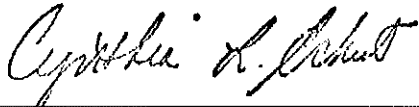
Section 4. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 5. This Ordinance shall take effect immediately following final passage and publication as required by law.

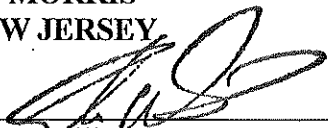
NOTICE IS HEREBY GIVEN, that the foregoing Ordinance was introduced in writing at a meeting of the Borough Council of the Borough of Netcong, County of Morris and State of New Jersey, held on the 8th day of January, 2026, introduced and read by title and passed on the first reading and that the said Governing Body will further consider the same for second reading and final passage thereon at a meeting to be held on the 12th day of February, 2026, at 7:30 p.m., prevailing time, at the Municipal Building in said Borough, at which time and place a public hearing will be held thereon by the Governing Body and all persons and citizens in interest shall have an opportunity to be heard concerning same.

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**

ATTEST:



Cynthia Eckert, Borough Clerk
Introduced: 01/08/26
Adopted:

By: 

Elmer Still, Mayor

**AN ORDINANCE AMENDING CHAPTER 227 OF THE REVISED
GENERAL ORDINANCES OF THE BOROUGH OF NETCONG AND
ABOLISHING THE BOARD OF RECREATION COMMISSIONERS, AND IN
ITS PLACE, CREATING A RECREATION COMMITTEE**

WHEREAS, it is the desire of the governing body of the Borough of Netcong to provide for recreational needs of all residents of the Borough; and

WHEREAS, the governing body has previously formed a Board of Recreation Commissioners, pursuant to N.J.S.A. 40:12-1 for this purpose; and

WHEREAS, the governing body, being ultimately responsible for providing such recreational needs to the community, has determined that the same can be best accomplished by abolishing the Recreation Commission and forming a Recreation Advisory Committee and assigning some of its duties to the Committee; and

WHEREAS, the authority of the Borough Council to abolish the Board of Recreation Commissioners is derived from the statute as determined by Board of Recreation Commissioners of the Borough of Rutherford v. Board of Rutherford, 166 N.J. Super. 476 (App. Div. 1979).

NOW, THEREFORE, BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris, and State of New Jersey, as follows:

Section 1. Section 227 entitled "Recreation," Article I, of The Revised General Ordinances of the Borough of Netcong is hereby repealed in its entirety and replaced by new Article I entitled "Recreation Advisory Committee" to read as follows:

**ARTICLE I
Recreation Advisory Committee**

§227-1. Establishment and Composition; Terms. There is hereby established a Recreation Advisory Committee in the Borough of Netcong, which shall consist of up to seven (7) members. Each regular member shall be a resident of the Borough and be appointed by the Borough Council for two-year terms on a staggered basis, except that of the members initially appointed, four of the regular members shall be appointed to serve for a term of two years, and the remaining three regular members shall be appointed to serve for a term of one year. Thereafter, all appointments shall be made for a term of two years. Appointments to fill vacancies shall be made in the same manner as original appointments, and all such appointments shall be for the unexpired term only. The members shall serve until their respective successors are appointed and qualified. The members shall receive no compensation for their services. The legal size of the Committee shall be the number of regular members actually appointed and continuing to serve up to the maximum of seven.

§227-2. Organization and Officers; Compensation.

- a. The Recreation Advisory Committee shall reorganize at its first regular meeting. The first regular meeting shall be held in the month of January of each calendar year. At the reorganization meeting, the voting members shall elect one of the voting members to serve as Chairperson for the calendar year in question. The Chairperson shall serve for the calendar year in question, or until a successor shall be elected and qualified.
- b. The Recreation Advisory Committee shall keep a record of its meetings and activities.
- c. The members of the Recreation Advisory Committee shall serve without compensation.

§227-3. Duties; Responsibilities.

- a. The Recreation Advisory Committee shall assist the Borough Administrator and Borough Council in the development of recreation programs and provide appropriate information to assist in planning for increases or decreases in various recreation programs for children, youth and adults.
- b. The Recreation Advisory Committee shall work with the Borough Administrator and Borough Council to formulate and determine the extent to which existing recreation programs are adequately serving the recreation needs of all residents of the Borough and shall advise the Borough Administrator and Borough Council as to alternatives for funding recreation programs, including recommendations on the establishment of a fee schedule.
- c. The Recreation Advisory Committee shall advise the Borough Administrator, who shall make a recommendation to the Borough Council as to fees to be charged for sponsorship of or participation in any recreation programs or events.
- d. The Recreation Advisory Committee shall advise the Borough Administrator and Borough Council in making recommendations to the Borough Council regarding the development and improvement of all types of parks, playgrounds and recreation spaces within the Borough, new or existing, and the proper maintenance thereof.
- e. The Recreation Advisory Committee shall work with the Borough Administrator and Borough Council to study the present and future need for parks, playgrounds and recreation spaces which will be of benefit to all residents of the Borough and provide recommendations to the Borough Administrator and the Borough Council.
- f. The Recreation Advisory Committee shall assist the Borough Administrator to solicit residents, businesses and commercial organizations to participate in Borough recreation programs.
- g. The Recreation Advisory Committee shall assist the Borough Administrator in providing an annual report to the Borough Council on the state of recreational programs and on the status of parks, playgrounds and recreational spaces, and the improvements thereon.
- h. The Recreation Advisory Committee shall have such other duties and responsibilities as are consistent with helping to carry out an effective system of recreation programs

and activities, and an effective system of parks, playgrounds and recreation areas as may be assigned by the Borough Council.

Section 2. This Ordinance may be renumbered for codification purposes.

Section 3. All Ordinances of the Borough of Netcong which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

Section 4. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 5. This Ordinance shall take effect immediately upon final passage, approval and publication as required by law.

NOTICE IS HEREBY GIVEN, that the foregoing Ordinance was introduced in writing at a meeting of the Borough Council of the Borough of Netcong, County of Morris and State of New Jersey, held on the 8th day of January, 2026 introduced and read by title and passed on the first reading and that the said Governing Body will further consider the same for second reading and final passage thereon at a meeting to be held on the 12th day of February, 2026 at 7:30 p.m., prevailing time, at the Municipal Building in said Borough, at which time and place a public hearing will be held thereon by the Governing Body and all persons and citizens in interest shall have an opportunity to be heard concerning same.

BOROUGH OF NETCONG

COUNTY OF MORRIS

STATE OF NEW JERSEY

ATTEST:

By: _____

Elmer Still, Mayor

Cynthia Eckert, Borough Clerk
Introduced: 01/08/2026
Adopted: 2/12/26

Ordinance 2026-3

AN ORDINANCE AUTHORIZING THE CHIEF OF POLICE TO EXECUTE AN APPLICATION FOR A CHARITABLE SOLICITATION PERMIT FOR NETCONG VOLUNTEER FIRE COMPANY NO. 1'S "COIN DROP" FRIDAY, MAY 22, 2026, SATURDAY, MAY 23rd, 2026, JULY 10th, 2026, RAIN DATE SATURDAY, JULY 11, 2026 AND FRIDAY, AUGUST 21st, 2026, RAIN DATE SATURDAY, AUGUST 22nd, 2026, FRIDAY, OCTOBER 9, 2026, RAIN DATE SATURDAY, OCTOBER 10, 2026 AT THE INTERSECTIONS OF ALLEN STREET AND LEDGEWOOD AVENUE AND MAIN STREET AND ROUTE 46 AND ROUTE 183 IN THE BOROUGH OF NETCONG, COUNTY OF MORRIS, STATE OF NEW JERSEY

WHEREAS, the members of Netcong Volunteer Fire Company No. 1 wish to hold their annual "Coin Drop" on Memorial Day and Columbus Day weekend at the intersections of Allen Street and Ledgewood Avenue and Main Street and Route 46 and Route 183 in the Borough of Netcong; and

WHEREAS, N.J.S.A. 39:4-60 requires charitable organizations to obtain municipal approval before soliciting contributions within municipal roadway; and

WHEREAS, charitable organizations are also required to obtain a Charitable Solicitation permit from the New Jersey Department of Transportation (hereinafter, "NJDOT"); and

WHEREAS, the NJDOT application must be accompanied by a certified copy of a municipal ordinance approving the solicitation and authorizing the appropriate municipal official to execute the application on behalf of the municipality; and

WHEREAS, the Borough's Chief of Police has reviewed the Fire Company's solicitation plan and has found same to be acceptable and in accordance with the NJDOT's guidelines; and

WHEREAS, the Borough Council wishes to approve the Fire Company's request in accordance with the procedures established in N.J.S.A. 39:4-60.

NOW, THEREFORE, BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris, and State of New Jersey, as follows:

SECTION 1. The Borough of Netcong hereby approves Netcong Volunteer Fire Company No. 1's request to hold a "Coin Drop" on Friday, May

22, 2026 and Saturday, May 23, 2026, Friday, July 10, 2026 with a rain date of July 11, 2026 and Friday August 21, 2026, Rain date, Saturday, August 22, 2026, Friday, October 9, 2026, Rain Date: Saturday October 10, 2026 at the intersections of Allen Street and Ledgewood Avenue and Main Street and Route 46 and Route 183. The dates and times approved for said solicitation are as follows: Friday, May 22, 2026, between the hours of 3:00 p.m. to 8:00 p.m. and Saturday, May 23, 2026, between the hours of 8:00 a.m. to 4:00 p.m.; Friday, July 10, 2026, between the hours of 3:00 p.m. to 8:00 p.m.; Rain date Saturday, July 11, 2026 from 8:00 am – 4:00 pm and Friday, August 21, 2026, between the hours of 3:00 p.m. to 8:00 p.m.; Rain date Saturday, August 22, 2026 between the hours of 8:00 a.m. to 4:00 p.m. and Friday, October 9, 2026 from 3:00 to 8:00 pm; Rain Date: October 10, 2026 from 8:00 am to 4:00 pm.

SECTION 2. The approval authorized herein is subject to and expressly conditioned upon the following:

- a. The Fire Company's compliance with all rules, regulations and guidelines promulgated by the NJDOT for charitable solicitations, including, but not limited to, the posting of any and all necessary warning signs; and
- b. The approval of the Morris County Board of Chosen Freeholders and the NJDOT.

SECTION 3. The Chief of Police is hereby authorized and directed to execute the application for a Charitable Solicitation Permit for Netcong Volunteer Fire Company No. 1's "Coin Drop," provided the above-stated conditions are met. The Netcong Borough Police Department shall be responsible for supervising the solicitation and enforcing the terms of the Charitable Solicitation Permit issued by the NJDOT.

SECTION 4. All ordinances of the Borough of Netcong, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

SECTION 6. This Ordinance shall take effect immediately upon final passage, approval and publication as required by law.

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**

ATTEST:

Cynthia A. Eckert

Cynthia Eckert, Borough Clerk

Introduced: 01/08/2026

Adopted: 2/12/26

By:


Elmer Still, Mayor

SALARY ORDINANCE 2026-4

AN ORDINANCE FIXING THE SALARIES OF CERTAIN OFFICERS AND EMPLOYEES OF THE BOROUGH OF NETCONG, IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY

BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris, State of New Jersey, as follows:

1. The salaries of the following officers and employees for the Borough of Netcong shall be established within the salary ranges delineated below:

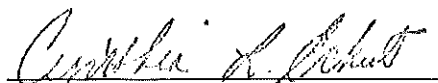
| | | | | |
|----------------------|-----------|----|--|-----------|
| PUBLIC SAFETY | | | | |
| Police Department | | | | |
| Chief of Police | \$125,000 | to | | \$165,000 |
| Police Lieutenant | \$120,000 | To | | \$145,000 |
| | | | | |

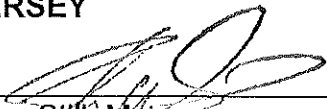
2. The specific salary to be paid each officer and employee shall be within the ranges set forth in Section 1 and shall be determined by resolution adopted by the Borough Council of the Borough of Netcong.
3. Unionized members of the Police Department shall be compensated in accordance with the terms and conditions set forth in the collective bargaining agreement currently in effect.
4. All full and part-time employees of the Borough of Netcong shall be paid bimonthly.
5. All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed to the extent of inconsistency.
6. All elected officials shall have the discretion to be paid quarterly, semi-annually or annually.

This Ordinance shall take effect upon publication of notice of final adoption as provided by law and shall be retroactive to January 1, 2026

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**

ATTEST:


Cynthia Eckert, Borough Clerk
Introduced: 1/8/26
Adopted: 2/12/26

By: 
Elmer Still, Mayor

BE IT RESOLVED, by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, that the following named persons be paid salaries in 2026:

| EMPLOYEE | TITLE | Proposed Salary/Rate |
|---------------------|--------------------------------------|-----------------------------|
| | Police | |
| Coppolella, Anthony | Chief of Police | \$159,650 |
| | Deputy Emergency Manager Coordinator | \$ 5,000 |
| | | |

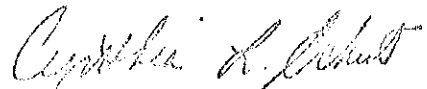
This resolution shall take effect immediately.



Elmer Still, Mayor

CERTIFICATION

I, Cynthia Eckert, Clerk of the Borough of Netcong, do hereby certify the above to be a true copy of a resolution adopted by the Mayor and Council of the Borough of Netcong at a regular meeting held on February 12, 2026.



Cynthia Eckert, Borough Clerk

TRANSFER RESOLUTION FOR CURRENT FUND

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE BOROUGH OF NETCONG IN THE COUNTY OF MORRIS, STATE OF NEW JERSEY, TO TRANSFER ITEMS OF APPROPRIATION IN THE 2025 CURRENT FUND RESERVE BUDGET IN ACCORDANCE WITH N.J.S.A 40:4-58.

| CURRENT FUND | | | | | |
|---|-----------------|--|------|-----------------|-----------------|
| ACCOUNT NAME | ACCOUNT # | | TYPE | TO | FROM |
| SOCIAL SECURITY/FICA GROUP INSURANCE | 5-01-26-290-033 | | OE | \$ 30,000 | |
| | 5-01-23-220-046 | | OE | | \$ 30,000 |
| | | | | \$30,000 | \$30,000 |

NOW, THEREFORE BE IT RESOLVED, by the Mayor and Council of the Borough of Netcong in the County of Morris, State of New Jersey, that in accordance with the provisions of N.J.S.A 40:4-58, that the following budget transfers be made by the Chief Financial Officer:

BE IT FURHTER RESOLVED, that the Treasurer is herby authorized to make the following transfers in the 2025 budget;

\$ 30,000.00 CURRENT FUND

A certified copy of the Resolution shall be forwarded by the Borough Clerk to the Treasurer. This resolution shall take effect upon adoption.

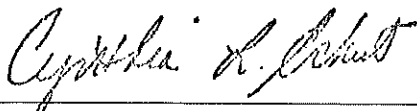
BOROUGH OF NETCONG

By: 
Elmer M. Still, Mayor

Dated:

CERTIFICATION

I, Cynthia Eckert, Clerk of the Borough of Netcong, do hereby certify the foregoing to be a true copy of a Resolution adopted by the Borough at a meeting held on February 12, 2026.


Cynthia Eckert, Borough Clerk

**A RESOLUTION AUTHORIZING THE PURCHASE OF A 16,000 POUND
RATED VEHICLE LIFT**

WHEREAS the Borough of Netcong identified a need to purchase a new vehicle lift for the Public Works Department; and

WHEREAS, Mohawk Lifts, LLC, PO Box 110, Amsterdam, New York, 12010 has been awarded New Jersey State Contract #25-COMG-108995; and

WHEREAS the purchase will be funded through the 2025 appropriation reserves, funds that are no longer needed; and

WHEREAS, the Borough's Chief Financial Officer has certified that funds are available for this purpose.

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

1. A contract to purchase a new vehicle lift is awarded to Mohawk Lifts, LLC, PO Box 110, Amsterdam, New York, 12010, not to exceed \$24,006.79 and in accordance with the terms and conditions of the quote dated January 30, 2026 and on file in the Office of the Borough Clerk.
2. The Borough Administrator is hereby authorized and directed to execute said contract on behalf of the Borough.
3. This Resolution shall take effect immediately.

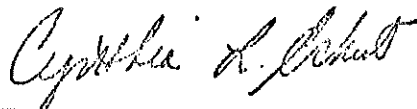
BOROUGH OF NETCONG

By: 
Elmer Still, Mayor

Dated: 2/13/26

CERTIFICATION

I, Cynthia Eckert, Clerk of the Borough of Netcong, do hereby certify the foregoing to be a true copy of a Resolution adopted by the Borough at a meeting held on February 12, 2026.


Cynthia Eckert, Borough Clerk

Ordinance 2026-5

AN ORDINANCE AUTHORIZING THE POLICE CHIEF TO EXECUTE AN APPLICATION FOR A CHARITABLE SOLICITATION PERMIT FOR AMERICAN LEGION AMBULANCE CORP OF STANHOPE/NETCONG'S "COIN DROP" ON JUNE 5TH, JUNE 6TH 2026 AND ON SEPTEMBER 11TH, AND SEPTEMBER 12TH, 2026 AT THE INTERSECTIONS OF ALLEN STREET AND LEDGEWOOD AVENUE AND MAIN STREET AND ROUTE 46 IN THE BOROUGH OF NETCONG, COUNTY OF MORRIS, STATE OF NEW JERSEY

WHEREAS, the members of American Legion Ambulance Corp of Stanhope/ Netcong wish to hold their annual "Coin Drop" on June 5th, June 6th 2026, with rain dates of June 12th, June 13th, 2026 and on September 11th, and September 12th, 2026, with rain dates of September 25th, September 26th, 2026 at the intersections of Allen Street and Ledgewood Avenue and Main Street and Rt. 46 in the Borough of Netcong; and

WHEREAS, N.J.S.A. 39:4-60 requires charitable organizations to obtain municipal approval before soliciting contributions within a municipal roadway; and

WHEREAS, charitable organizations are also required to obtain a Charitable Solicitation permit from the New Jersey Department of Transportation (hereinafter, "NJDOT"); and

WHEREAS, the NJDOT application must be accompanied by a certified copy of a municipal ordinance approving the solicitation and authorizing the appropriate municipal official to execute the application on behalf of the municipality; and

WHEREAS, the Borough's Chief of Police has reviewed the Ambulance Corp's solicitation plan and has found same to be acceptable and in accordance with the NJDOT's guidelines; and

WHEREAS, the Borough Council wishes to approve the Ambulance Corp's request in accordance with the procedures established in N.J.S.A. 39:4-60.

NOW, THEREFORE, BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris, and State of New Jersey, as follows:

SECTION 1. The Borough of Netcong hereby approves the American Legion Ambulance Corp of Stanhope/Netcong's request to hold a "Coin Drop" at the intersection of Allen Street and Ledgewood Avenue. The dates and times approved for said solicitation are as follows: Friday, June 5th 2026, between the

hours of 2:30 p.m. to 7:00 p.m.; Saturday, June 6th, 2026, between the hours of 9:00 a.m. to 3:30 p.m. with rain dates of June 12th, June 13th, 2026 and on Friday, September 11th, 2026 between the hours of 2:30 p.m. to 7:00 p.m.; Saturday, September 12th, 2026, between the hours of 9:00 a.m. to 3:30 p.m. with rain dates of September 25th and September 26th, 2026.

SECTION 2. The approval authorized herein is subject to and expressly conditioned upon the following:

- a. The Ambulance Corp's compliance with all rules, regulations and guidelines promulgated by the NJDOT for charitable solicitations, including, but not limited to, the posting of any and all necessary warning signs; and
- b. The approval of the Morris County Board of Chosen Freeholders and the NJDOT.

SECTION 3. The Chief of Police is hereby authorized and directed to execute the application for a Charitable Solicitation Permit for American Legion Ambulance Corp of Stanhope/Netcong's "Coin Drop," provided the above-stated conditions are met. The Netcong Borough Police Department shall be responsible for supervising the solicitation and enforcing the terms of the Charitable Solicitation Permit issued by the NJDOT.

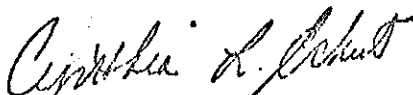
SECTION 4. All ordinances of the Borough of Netcong, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.


SECTION 6. This Ordinance shall take effect immediately upon final passage, approval and publication as required by law.

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**

ATTEST:



Cynthia Eckert, Borough Clerk
Introduced: 2/12/26
Adopted:

By: 

Elmer Still, Mayor

BOROUGH OF NETCONG

COUNTY OF MORRIS
STATE OF NEW JERSEY

ORDINANCE NO. 2026-6

AN ORDINANCE AMENDING CHAPTER 153 ENTITLED "EXCAVATIONS" OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF NETCONG

BE IT ORDAINED by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, as follows:

Section 1. Chapter 153 entitled "Excavations" of the Revised General Ordinances of the Borough of Netcong shall be amended to read in its entirety as follows:

Chapter 153

EXCAVATIONS

ARTICLE I

Streets

§ 153-1. Permit required.

- A. No person shall open, excavate or tear up the surface of any public road, street, sidewalk or right-of-way under the control of Netcong Borough or otherwise endanger or obstruct the normal flow of vehicular or pedestrian traffic by the placing of any barricade, structure, material or equipment not normally designed to be operated on the public highway without first obtaining a written permit from the Borough Clerk. The permit shall indicate the date upon which the operation will start and the date upon which the operation will be completed. If the work is not completed within this period, a new permit shall be required along with the appropriate fees.
- B. This article shall not apply to work dealing solely with the construction, repair or alteration of sidewalks, driveway aprons or curbs. All such work shall be completed in accordance with the provisions of Chapter 247, Streets and Sidewalks, Article III, Sidewalk and Curb Construction and Repair.

§ 153-2. Restrictions in new street improvements.

- A. Before any street is improved or paved, the Borough Clerk shall give notice to all persons owning property abutting the street and to all public utilities and authorities operating in the Borough that the street is about to be paved or improved. All connections and repairs to utilities in the streets and all other work which requires excavation of the street shall be completed within 30 days from the receipt of notice. The time for the completion of the work may be extended in writing by the Superintendent of Public Works upon application by the person performing the work. Except in case of emergency, no person shall be issued a permit to excavate any street that has been improved or repaved within the preceding five (5) years, unless approved by resolution of the Borough Council.
- B. This section does not bar the issuance of a permit where the excavation is made necessary by the occurrence of some event which could not have been foreseen at the time that notice was given or where

the public health or safety requires the performance of the work in question.

§ 153-3. Permit application; fees.

- A. Application shall be made in writing for a permit for any excavation within any road right-of-way, the maintenance of which is the responsibility of the Borough, for any purpose whatsoever. The application shall state the purpose of the excavation, namely, sewer, water, gas, telephone or any other purpose. The application shall be accompanied by a sketch, drawn to scale, of the opening or openings and shall also be accompanied by a fee as follows:
 - (1) \$25 for openings entirely outside pavement.
 - (2) \$125 for openings within pavement up to 50 linear feet.
 - (3) \$125 for the first 50 linear feet and \$25 for each additional 50 linear feet or part thereof.
- B. The Superintendent of Public Works, Borough Engineer, Borough Clerk or Borough Administrator (collectively "the Borough Officials") shall have discretion to determine the applicability and amounts of any deposits, guaranties, or insurance requirements established under this chapter, based on the scope of work, location, and potential impact of the excavation.

§ 153-4. Restoration deposit.

- A. Before issuing any permit, the Borough Officials may require the applicant to submit a restoration deposit to guarantee proper restoration, replacement, or repair of property damaged or destroyed by the work.
- B. When required, restoration deposits shall be calculated as follows—or by submission of an engineer's estimate acceptable to the Borough Officials:
 - (1) Lawn areas: \$15 per square yard.
 - (2) Shoulder areas: \$20 per square yard.
 - (3) Paved roads: \$60 per square yard.
 - (4) Sidewalks: \$40 per square yard.
 - (5) Curbing: \$15 per linear yard.
 - (6) Dirt or gravel roads: \$12 per square yard.
- C. A minimum restoration deposit, when required, shall not be less than \$1,000, and the Borough Officials may set fees higher than those listed above when, in their opinion, cost will exceed the stipulated amounts.
- D. In lieu of posting a cash payment for restoration deposit, the permittee may post a combination of cash and bond, subject to approval by the Borough Officials. The cash portion shall be 25% of the total amount required and be in the form of cash, a certified check or money order. The remaining 75% shall be guaranteed by the posting of a surety bond. Upon request by a permittee, the Borough Officials shall cause an inspection of the excavation to be made and shall submit their recommendations to the Borough Council for acceptance of satisfactory restoration.
- E. In the event that a utility company or other similar parties will be regularly excavating within the Borough, a restoration deposit in the form of a bond may be posted with the Borough. The form and amount of said bond shall be approved by the Borough Attorney and Borough Officials prior to the

issuance of any street opening permits.

- F. Any surety bond posted shall expressly provide that the surety shall be responsible for any attorney's fees or costs incurred in enforcing the obligation.

§ 153-5. Maintenance guaranty.

- A. Upon completion and acceptance of restoration work, the Borough Officials may require the permittee to maintain the restored area for up to one (1) year from the date of acceptance. When required, the Borough shall retain a minimum of \$1,000, either in cash or certified check or money order, for a period of not less than one year from the date of acceptance of the restoration completed by the applicant. Said acceptance shall be made by either the Superintendent of Public Works and/or the Borough Engineer.
- B. In the case of a large street opening requiring extensive restoration, Borough Officials may require a maintenance bond or certified check in an amount of 15% of the amount of the restoration deposit, which is to be retained for one year from the date of acceptance. But in no case shall the amount retained be less than \$1,000.
- C. In the event that repairs become necessary to the restored excavated area during the maintenance period, the Borough shall notify the applicant and shall expect the necessary repairs to be completed within 48 hours of notification. If these repairs are not completed within the 48 hours, the Borough shall complete the necessary repairs and charge the expenses of the same against the maintenance guaranty.
- D. Upon the recommendation of the Superintendent of Public Works for acceptance of a satisfactory restoration, all deposits shall be released by the Borough and will not include interest accrued.

§ 153-6. Inspection deposit.

- A. Prior to issuance of any permit, the Borough Officials may require an inspection or administration deposit to defray the Borough's engineering, inspection, and administrative costs if it is believed the application fee will not be sufficient. The amount shall be estimated by the Borough Engineer and may include costs for a full-time inspector or materials testing.
- B. A minimum deposit of \$500 may be required, unless otherwise determined by the Borough Officials. Any unused balance shall be refunded after satisfactory completion of the work.

§ 153-7. Certificate of insurance required.

- A. Before the permit for any excavation below pavement grade will be issued, Borough Officials may require certificates of insurance evidencing the following minimum coverage, or higher amounts as determined by them or the Borough Attorney:
 - (1) Commercial general liability — \$1,000,000 per occurrence / \$2,000,000 aggregate.
 - (2) Property damage — \$500,000 per occurrence or included within the general liability limits.
 - (3) Automobile liability — \$1,000,000 combined single limit.
 - (4) Workers' compensation — statutory limits
- B. The applicant shall indemnify and save harmless the Borough, its agents and employees from and against all claims arising out of the work or any part thereof. In case of any such action being brought against

the Borough, the applicant, at the applicant's own cost and expense, shall immediately take charge of and defend the same, provided that the Borough shall notify the applicant of such notice of claim as soon as possible after the receipt thereof by the Borough. The Borough may require to be named as an additional insured on the liability policy, with 30 days' notice prior to cancellation.

- C. Public utilities regulated by the N.J. Board of Public Utilities may, at the discretion of the Borough Officials, file evidence of self-insurance and a continuing bond as permitted under § 153-19.

§ 153-8. Submission of plans; inspection.

The permittee shall submit blueprints or plans in duplicate to the Borough for approval and, if it is considered necessary or desirable, a joint general inspection may be directed by the Borough to be made by the Borough Engineer or Superintendent of Public Works and the permittee. After the approval of the blueprint or plan, if in the course of the proposed construction shown thereon any changes or deviations become necessary in the work, the permittee shall obtain the approval of the Superintendent of Public Works before making the changes or deviations. Upon completion of the entire work, the permittee shall file plans with the Borough Clerk showing in full detail all the work after its completion.

§ 153-9. Pavement opening.

A wet saw cut shall be used to cut through the entire depth of the pavement before the trench digging machinery shall be allowed to operate unless a waiver is granted by the Superintendent of Public Works or Borough Engineer.

§ 153-10. Guarding.

It shall be the duty of the permittee to properly guard any excavation and storage piles by erecting suitable barriers during the day and lights during the night or warning signs and providing a watchman if deemed necessary by the Chief of Police. All traffic control devices used on road or street construction or maintenance work shall conform to the applicable specifications of the Manual on Uniform Traffic Control Devices. The permittee shall be liable for any neglect in safeguarding the traveling public. If the excavation extends the full width of the road, 1/2 of it shall be made at one time, and it shall be backfilled before the other half is excavated so as not to interfere with traffic. In any event, the permittee shall make certain that the road or street is open at all times to emergency vehicles.

§ 153-11. Restoration of surface.

- A. Any Borough Road surface, sidewalk, curb, gutter, shoulder or grassed area disturbed or destroyed by the permittee shall be restored by and at the total expense of the permittee to as good as or better condition than it was before commencement of the work. The road surface shall be replaced in accordance with the requirements of Subsections C and D of this section. Upon completion of the restoration work and after approval of the work by the Borough Superintendent of Public Works or Borough Engineer, the permittee shall maintain the work in an acceptable condition at their expense for one (1) year, or such longer period as the Borough Officials may require after the approval of the work. No roads shall be encumbered for a longer period than is necessary to execute the work. If the work is not satisfactorily completed within a reasonable time, and after due notice to the permittee, the Borough Department of Public Works may finish the work and deduct the cost of the same from the total deposit as required in § 153-4. After the work is completed by the Borough, any balance remaining from the total deposit shall be returned to the permittee.
- B. Within any traveled way, the top 2 1/2 feet of the trench or excavation shall be backfilled with bank-run sand and gravel or other suitable, well-drained, compactable material. The Superintendent of Public Works shall approve all backfill material used by the permittee. The backfill material shall be placed and

tamped in layers not exceeding one foot in depth. If directed by the Superintendent of Public Works, the permittee shall backfill the trench or excavation entirely with bank-run sand and gravel or other suitable material. All material not suitable for backfill and all excess backfill material shall be removed from the site by the permittee.

- C. All new pavement replacement shall be made in kind, except that in no case shall it be less than a total of five inches compacted thickness. All new placement shall consist of a minimum of two inches compacted thickness of bituminous stabilized base, Mix No. 1, and a wearing surface of three inches compacted thickness of FABC, Mix No. 5. Pavement replacement in areas requiring more than five inches overall thickness shall consist of a minimum of three lifts of asphalt, and in no case shall one individual lift exceed four inches compacted thickness. Prior to installing the final wearing surface, the edges of the existing pavement shall be cut straight and painted with asphaltic cement, Grade RC-70, to provide a waterproof joint and adhesion between the existing and new pavement. The finished surface shall be rolled with at least a one-ton roller.
- D. All materials and methods of construction shall comply with the New Jersey Department of Transportation Standard Specification for Road and Bridge Construction, dated 1961, and all revisions and amendments thereto.

§ 153-12. Emergency openings.

Emergency street openings may be made without the necessity of a written application in emergency situations, such as broken or frozen water mains or other situations which would endanger public life, health and safety, provided that notice shall be immediately given to the Police Department and that written application for a permit shall be made to the Borough Clerk as soon as practical and in any event not exceeding 48 hours from start of the excavation.

§ 153-13. General regulations.

- A. No person shall place material of any description whatsoever or vehicles or other equipment of any nature upon any road or street so as to interfere with the flow of water along the gutters or with traffic without first having obtained a permit. The permit shall state the approximate quantity of material or the number of vehicles or equipment to be stored and the time of storage, and the same shall be guarded as set forth in this article.
- B. No excavation shall be opened for a distance of more than 200 feet at any one time. All excavations shall be backfilled and all equipment removed from the public right-of-way at the end of each day's work and at such times as may be required for noninterference with snow removal.
- C. The Superintendent of Public Works shall be notified 24 hours in advance of the exact time of starting work on all excavations and 24 hours in advance of the replacement of the pavement base and surface courses.
- D. All work performed and material furnished shall be in compliance with the rules, regulations and specifications of the Borough.
- E. No person to whom a permit has been granted shall perform any work authorized by such permit in any amount or quantity greater than that specified in the permit.
- F. Permits are not transferable from one person to another, and the work shall not be done in any place other than the location specifically designated in the permit.
- G. All requirements of this section shall be subject to the direction of the Borough Officials.

§ 153-14. Applicability to state and county highways.

The provisions of this article shall not be applicable in those instances where the highway is maintained by the State of New Jersey or by the County of Morris, except in such cases where the Borough may have special arrangement with the state or county.

§ 153-15. Emergency repairs; corrective action.

- A. In the event that repairs or corrective measures become necessary during the performance of the work, the Borough shall notify the permittee and shall expect the emergency repairs or corrective actions to be completed within 24 hours of notification.
- B. If these repairs are not completed within 24 hours, the Borough shall complete the repairs and charge the expense against the restoration deposit.

§ 153-16. Revocation of permit; notice; costs of restoration by Borough.

- A. Any permit may be revoked by the Borough Officials, after notice to the permittee, for:
 - (1) Violation of any condition of the permit or of any provision of this article.
 - (2) Violation of any provisions of any other applicable ordinance or law relating to the work.
 - (3) Existence of any condition or the doing of any act constituting or creating a nuisance or endangering the lives or properties of others.
- B. Written notice of any such violation or condition shall be served upon the permittee or his agent engaged in the work. The notice shall contain a brief statement of the grounds relied upon for revoking the permit. Notice may be given either by personal delivery thereof to the person to be notified or by certified or registered United States mail addressed to the person to be notified.
- C. A permittee may be granted a period of 24 hours from the date of the notice to correct the violation and to proceed with the diligent prosecution of the work authorized by the permit before said permit is revoked.
- D. When any permit has been revoked and the work authorized by the permit has not been completed, the Borough shall do such work as may be necessary to complete such work as was authorized by the permit and to restore the street or part thereof to as good a condition as before the opening was made. All expenses incurred by the Borough shall be recovered from the deposit or bond the permittee has made or filed with the Borough.

§ 153-17. Notice of gas service interruptions.

Where gas installations require services of existing users to be terminated, such utility shall notify such users of the period of time when the services will not be available. Such notice shall be given at least 24 hours prior to the interruption of service.

§ 153-18. Installation of sheathing.

If, in the opinion of the Borough Engineer or Superintendent of Public Works, conditions are such as to require sheathing, the permittee will install such sheathing as may be required upon order of the Superintendent of Public Works.

§ 153-19. Bond and insurance requirements for public utilities.

- A. Any person, firm or corporation who or which is a private public utility subject to regulation by the Board of Public Utility Commissioners of the State of New Jersey and who or which desires to obtain permits under the provisions of this article may, in lieu of the provisions hereof requiring deposits under §§ 153-4 and 153-5, execute a bond, which may be the bond of such public utility solely, in the sum of \$10,000, running in favor of the Borough, and file the same with the Borough Clerk. Such bond will be conditioned upon compliance with the applicable provisions of this article in respect to each street opening which shall be hereafter made by such public utility in the Borough, and the obligations of such bond shall be a continuing obligation to the full amount thereof in respect to each such street opening.
- B. In lieu of the filing of the certificate of insurance for bodily injury and property damage in the amounts as set forth in § 153-7, the public utility may file with the Borough Clerk, at the same time that the bond herein provided for is filed, a letter certifying that it is a self-insurer and exempt from the necessity of obtaining an insurance policy pursuant to the provisions of the State of New Jersey. Any such bond and certificate shall be reviewed and approved as to form by the Borough Attorney.

§ 153-20. Possession and exhibition of permit.

The permittee must keep the original copy of the permit and an approved copy of the plan. The permit must be in the possession of the party or parties actually doing the work and must be exhibited to the Superintendent of Public Works, duly authorized inspectors or, in the instances of county or state highways, to the respective inspectors of these organizations.

§ 153-21. Violations and penalties.

Any person, firm, or corporation violating any of the provisions of this article shall be subject to such penalties as are provided for in Article I of Chapter 1 of the Code of the Borough of Netcong.

Section 2. Severability. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

Section 3. Repealer. All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 4. Effect. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.


NOTICE IS HEREBY GIVEN, that the foregoing Ordinance was introduced in writing at a meeting of the Borough Council of the Borough of Netcong, County of Morris and State of New Jersey, held on the 12 day of February, 2026, introduced and read by title and passed on the first reading and that the said Governing Body will further consider the same for second reading and final passage thereon at a meeting to be held on the 12th day of March, 2026, at 7:30 p.m., prevailing time, at the Municipal Building in said Borough, at which time and place a public hearing will be held thereon by the Governing Body and all persons and citizens in interest shall have an opportunity to be heard concerning same.

BOROUGH OF NETCONG

ATTEST:

Cynthia L. Eckert

Cynthia Eckert, Borough Clerk

By: 

Elmer M. Sill, Mayor

AN ORDINANCE AMENDING CHAPTER 276, "WATER", OF THE CODE OF THE BOROUGH OF NETCONG AND CLARIFYING THE PROCESS FOR THE INSTALLATION OF MULTIPLE METERS ON A SINGLE PROPERTY

BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, as follows:

Section 1. Chapter 276, "Water", Section 276-12, "Meter Installation", Subsection B, is hereby amended to read as follows:

B. All water delivered in the borough shall be measured by water meters approved by the Water Department. Five-eighths-inch meters shall be provided and installed by the borough. If multiple five-eighths meters are requested for a single property, the requestor shall pay for the meters and the installation. After installation, all five-eighths-inch meters shall remain the property of the borough. If larger meters are desired, they shall be furnished and installed by the property owner. Upon installation, meters two inches or larger in size shall remain the property of the property owner. Those meters larger than $5/8$ of an inch but less than two inches in size shall become the property of the borough upon installation

Section 2. This Ordinance may be renumbered for codification purposes.

Section 3. All ordinances of the Borough of Netcong, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

Section 4. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 5. This Ordinance shall take effect upon final passage and publication as required by law.

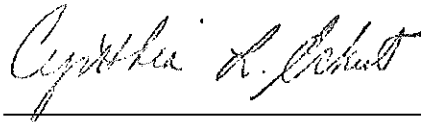
NOTICE IS HEREBY GIVEN, that the foregoing Ordinance was introduced in writing at a meeting of the Borough Council of the Borough of Netcong, County of Morris and State of New

Jersey, held on the 12th day of February, 2026, introduced and read by title and passed on the first reading and that the said Governing Body will further consider the same for second reading and final passage thereon at a meeting to be held on the 12th day of March, 2026, at 7:30 p.m., prevailing time, at the Municipal Building in said Borough, at which time and place a public hearing will be held thereon by the Governing Body and all persons and citizens in interest shall have an opportunity to be heard concerning same.

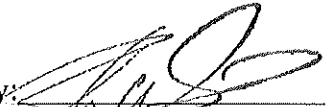
INTRODUCED: 2/12/26
ADOPTED: 3/12/26

BOROUGH OF NETCONG

ATTEST:



Cynthia Eckert, Borough Clerk

By: 
Elmer M. Still,

BOROUGH OF NETCONG
MORRIS COUNTY, NEW JERSEY

ORDINANCE 2026-8

AN ORDINANCE OF THE BOROUGH OF NETCONG AMENDING CHAPTER 194,
"LAND DEVELOPMENT PROCEDURES", REPEALING AND REPLACING
CHAPTER 194, ARTICLE XIV, "AFFORDABLE HOUSING", OF THE CODE OF
THE BOROUGH OF NETCONG, NEW JERSEY

BE IT ORDAINED by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Netcong, Chapter 194 Article XIV, "Affordable Housing," shall be repealed and replaced to read, in its entirety, as follows:

§ 194-109. Affordable Housing.

A. Introduction & Applicability

1. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in the Borough of Netcong consistent with the provisions outlined in P.L. 2024, Chapter 2, including the amended Fair Housing Act ("FHA") at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services ("LPS") at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing ("COAH") at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls ("UHAC") at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan ("HEFSP").
2. This Ordinance is intended to ensure that very low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the provisions set forth below in item 5.c. below.
3. The Borough of Netcong Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L. 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.

5. Applicability

- a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the municipality's most recently adopted HEFSP.
- b. This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.
- c. Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

B. Definitions

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

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

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

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

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

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

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

“Affirmative Marketing Process” or “Program” means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low- low- and moderate-income units.

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

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

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

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

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

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

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

“Affordable unit” means a housing unit proposed or developed pursuant to the Act, including units created with municipal affordable housing trust funds.

“Age-restricted housing” means a housing unit that is designed to meet the needs of, and is exclusively for, an age-restricted segment of the population such that: 1. All the residents of the development where the unit is situated are 62 years or older; 2. At least 80 percent of the units are occupied by one person that is 55 years or older; or 3. The development has been designated by the Secretary of HUD as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“95/5 restriction” means a deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C.

5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

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

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

“Non-residential development” means:

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

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

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

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

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

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

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

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

“Person with a disability” means a person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including

epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

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

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

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

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit; or another purpose allowed pursuant to N.J.A.C. 5:80-26.7(k)3. This definition excludes any practices that would allow affordable housing units to be leased or sold on a first-come, first-served basis.

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

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

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

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

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

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

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

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

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

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

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

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

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

recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination pursuant to subsection f. of section 5 of P.L.1985, c. 398 (C.52:18A-200).

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

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

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

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

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

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

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

“Unit type” means type of dwelling unit with various building standards including but not limited to single-family detached, single-family attached/townhouse, stacked townhouse

(attached building containing 2 units each with separate entrances), duplex (detached building containing 2 units each with separate entrances), triplex (3 units each with separate entrance), quadplex (4 units each with separate entrance), multifamily / flat (2 or more units with a shared entrance). Inclusion of a garage, or not, shall not define the unit type.

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

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

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

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

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

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

C. Monitoring and Reporting Requirements

1. The municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:
 - a. The municipality shall provide electronic monitoring data with the Department pursuant to P.L. 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS). All monitoring information required to be made public by the FHA shall be available to the public on the Department’s website at <https://www.nj.gov/dca/dlps/hss/MuniStatusReporting.shtml>.
 - b. On or before February 15 of each year, the municipality shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the Department on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.
 - c. On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the Department on the AHMS portal, for the previous year from January 1st to December 31st.

D. Municipality-wide Mandatory Set-Aside

1. A development, other than single-family detached, providing a minimum of five new housing units created through any future municipal rezoning or Planning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provides for densities at or above six units per acre, is required to include an affordable housing set-aside of 20%.
2. Any affordable units generated through such mandatory set-aside shall be subject to all other provisions of this ordinance.
3. All such affordable units shall be governed by this ordinance the controls on affordability, including bedroom distribution, and affirmatively marketed to the housing region in conformance with UHAC at N.J.A.C. 5:80-26.1 et seq., any successor regulation, and all other applicable laws.
4. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.
5. The mandatory set-aside requirements of this section do not give any developer the right to any rezoning, variance or other relief, or establish any obligation on the part of the municipality to grant such rezoning, variance or other relief.
6. This municipality-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the Borough's Settlement Agreement with Fair Share Housing Center dated December 18, 2025 , or in the Borough's Fourth Round Housing Element and Fair Share Plan, adopted by the Borough Planning Board and endorsed by the Borough Council, for which density and set-aside requirements shall be governed by the specific standards as set forth therein.
7. In the event that the inclusionary set-aside of 20% of the total number of residential units does not result in a full integer, the developer shall choose one of two options for addressing the fractional unit:
 - a. The developer may round the set-aside upward to construct a whole additional affordable unit; or
 - b. If the set-aside includes a fractional unit equal to 0.49 or less, the developer may round the set-aside downward and construct the lesser whole number of affordable units and shall also contribute the fractional subsidy payment ("fractional subsidy payment") to be made to the municipality and deposited in the municipal Affordable Housing Trust Fund. The fractional subsidy payment amount shall be calculated as the fractional unit multiplied by the base subsidy payment amount currently established by the municipality as the average subsidy reflected in financial pro formas for 100% affordable housing or subsidized developments in the municipality or region on file with the municipality. For example, if seven total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:

The developer shall round up the 0.4 unit to one whole affordable unit so as to construct a total of two (2) affordable housing units; or The developer shall round the set-aside downward so as to construct only one affordable unit AND shall pay into the municipal affordable housing trust fund a fractional subsidy payment equal to the dollar amount established by the municipality multiplied by 0.4.

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

1. The following requirements shall apply to all new or planned developments that contain very low-, low- and moderate-income housing units. To the extent possible, details related to the adherence to the requirements below shall be outlined in the resolution granting municipal subdivision or site plan approval of the project to assist municipal representatives, developers and Administrative Agents.
2. Completion Schedule (previously known as phasing). Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following completion schedule for very low-, low- and moderate-income units whether developed in a single-phase development, or in a multi-phase development:

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

3. Design. The following design requirements apply to affordable housing developments, excluding prior round units.
 - a. Design of 100 percent affordable developments:
 - i. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - ii. Each bedroom in each restricted unit must have at least one window.
 - iii. Restricted units must include adequate air conditioning and heating.
 - b. Design of developments comprising market-rate rental units and restricted rental units. The following does not apply to prior round units, unless stated otherwise.
 - i. Restricted units must use the same building materials and architectural design elements (for example, plumbing, insulation, or siding) as market-rate units of the same unit type (for example, flat or townhome) within the same development, except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - ii. Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations.

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

for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.

- v. Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s).
- vi. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
- vii. Each bedroom in each restricted unit must have at least one window; and
- viii. Restricted units must include adequate air conditioning and heating.

4. Utilities.

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

5. Low/moderate split and bedroom distribution.

- a. Affordable units shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.
- b. In each affordable housing development, at least 50% of the restricted units within each bedroom distribution rounded up or down to the nearest whole number shall be very low- or low-income units.
- c. Within rental developments, of the total number of affordable rental units, at least 13%, rounded up to the nearest whole number, shall be affordable to very low-income households. The very low-income units shall be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count, and counted as part of the required number of low-income units within the development.
- d. Affordable housing developments that are not age-restricted or supportive housing shall be structured such that:
 - i. At a minimum, the number of bedrooms within the restricted units equals twice the number of restricted units;
 - ii. Two-bedroom and/or three-bedroom units compose at least 50 percent of all restricted units;
 - iii. The combined number of efficiency and one-bedroom units shall be no greater than 20%, rounded up or down to the nearest whole number, of the total number of low-

and moderate-income units. The Borough of Netcong has chosen to allow rounding.

- iv. At least 30% of all low- and moderate-income units, rounded up or down to the nearest whole number, shall be two-bedroom units. The Borough of Netcong has chosen to allow rounding.
 - v. At least 20% of all low- and moderate-income units, rounded up or down to the nearest whole number, shall be three-bedroom units. The Borough of Netcong has chosen to allow rounding.
 - vi. The remaining units may be allocated among two- and three- bedroom units at the discretion of the developer.
- e. Affordable housing developments that are age-restricted or supportive housing, except those supportive housing units whose sponsoring program determines the unit arrangements, shall be structured such that, at a minimum, the number of bedrooms shall equal the number of age-restricted or supportive housing low- and moderate-income units within the inclusionary development. Supportive housing units whose sponsoring program determines the unit arrangement shall comply with all requirements of the sponsoring program. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit. In affordable housing developments with 20 or more restricted units that are age-restricted or supportive housing, two-bedroom units must comprise at least 5% of those restricted units.

6. Accessibility requirements.

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

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

F. Affordable Housing Programs

1. Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, “All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions.” The following are many of the main provisions of the COAH regulations at either N.J.A.C. 5:93 or 5:97 that have been upheld by the NJ Supreme Court. Municipalities should consult the cited full COAH regulations when preparing the HEFSP for required documentation, etc. Additional compliance details may also be included in the specific municipal program manual.

2. Rehabilitation Programs (per N.J.A.C. 5:93-5.2 with updated provisions herein per N.J.A.C. 5:97-6.2 related to credit towards a municipal present need obligation).
 - a. The rehabilitation program shall be designed to renovate deficient housing units occupied or intended to be occupied by very low-, low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28-1.1 et seq or the Rehabilitation Subcode, N.J.A.C. 5:23-6 to the extent applicable.
 - b. Both ownership and rental units shall be eligible for rehabilitation funds.
 - c. All rehabilitated units shall remain affordable to very low-, low- and moderate-income households for a period of 10 years (the control period). For owner-occupied units, the control period shall be enforced with a mortgage and note and for renter-occupied units the control period will be enforced with a deed restriction.
 - d. The municipality shall dedicate a minimum average hard cost of \$10,000 for each unit to be rehabilitated through this program and in addition shall dedicate associated rehabilitation program soft costs such as case management, inspection fees and work write-ups.
 - e. The municipality shall designate, subject to the approval of the Department, one or more Administrative Agents to administer the rehabilitation program in accordance with P.L 2024, Chapter 2. The Administrative Agent(s) shall provide rehabilitation manuals for ownership and rental rehabilitation programs. Manuals shall be adopted by resolution of the governing body. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and on the municipal affordable housing web page.
 - f. Households determined to be very low-, low-, or moderate-income may participate in a rehabilitation program. Rehabilitated units shall be exempt from the very low-income requirements, low/mod split, and bedroom distribution requirements of UHAC, but shall be administered in accordance with the following:
 - i. If a unit is vacant at the time of rehabilitation, or if a rehabilitated unit becomes vacant and is re-rented before the expiration of the affordability controls, the deed restriction shall require that the unit be rented to a low- or moderate-income household at an affordable rent.
 - ii. If a rental unit is occupied by a tenant at the time rehabilitation is completed, the rent charged after rehabilitation shall not exceed the lesser of the tenant's current rent or the maximum rent permitted under UHAC.
 - iii. Rents in rehabilitated units may increase annually based on the standards in UHAC.
 - iv. At the time of application, applicant households and/or tenant households shall be subject to income eligibility determinations in accordance with UHAC.
3. Accessory Apartment program (per N.J.A.C. 5:93-5.9 as may be updated per various sections in N.J.A.C. 5:97-6.8).
 - a. All accessory apartments shall meet the following conditions:

- i. Accessory apartments are permitted in the B-C Zone, provided that the units are affordable to low- and moderate-income households. Accessory apartments shall be limited to only low- or only moderate-income units as determined in the Fair Share Plan.
 - ii. Accessory apartments shall comply with all applicable statutes and regulations of the State of New Jersey in addition to all building codes.
 - iii. The appropriate utility authority must certify that there is water and sewer infrastructure with sufficient capacity to serve the proposed accessory apartment. Where the proposed location is served by an individual well and/or septic system, the additional capacity necessitated by the new unit must meet the appropriate NJDEP standards.
 - iv. No accessory apartment created as a result of this article or these regulations shall exceed the gross floor area of the existing principal dwelling on the lot.
 - v. Per N.J.A.C. 5:97-6.8(c)1, at the time of initial occupancy of the unit and for at least ten years thereafter, the accessory apartment shall be rented only to a low- or moderate-income household in accordance with UHAC.
 - vi. Rents of accessory apartments shall be affordable to low- or moderate-income households in accordance with UHAC. . Rents of accessory apartments shall be established for low-income units to be affordable to households earning no more than 44 percent of median income. Rents of accessory apartments shall be established for moderate-income units to be affordable to households earning no more than 60 percent of median income.
 - vii. There shall be a recorded deed or declaration of covenants and restrictions applied to the property upon which the accessory apartment is located running with the land and limiting its subsequent rental or sale of the unit and the accessory apartment for the duration of the control period.
 - viii. The municipal accessory apartment program shall not restrict the number of bedrooms in any accessory apartment.
- b. Administrative requirements for Accessory Apartment Program.
- i. The Borough of Netcong shall designate an administrative entity to administer the accessory apartment program that shall have the following responsibilities:
 - (a) The administrative agent shall administer the accessory apartment program, including advertising, income-qualifying prospective renters, setting rents and annual rent increases, maintaining a waiting list, distributing the subsidy, securing certificates of occupancy, qualifying properties, handling application forms, filing deed restrictions and monitoring reports and affirmatively marketing the affordable accessory apartment program in accordance with the UHAC.
 - (b) The administrative entity shall only deny an application for an accessory apartment if the project is not in conformance with the established requirements and/or the provisions of this section/article. All denials shall be in writing with the reasons clearly stated.

- ii. Per N.J.A.C. 5:97-6.8(b)2, the municipality shall provide a minimum of \$25,000 per unit to subsidize the creation of each low-income accessory apartment or \$20,000 per unit to subsidize the creation of each moderate-income accessory apartment. Subsidy may be used to fund actual construction costs and/or to provide compensation for reduced rental rates.
 - iii. Property owners wishing to apply to create an accessory apartment shall submit to the administrative entity:
 - (a) A sketch of floor plan(s) showing the location, size and relationship of both the accessory apartment and the primary dwelling within the building or in another structure;
 - (b) Rough elevations showing the modifications of any exterior building facade to which changes are proposed; and
 - (c) A site development sketch showing the location of the existing dwelling and other existing buildings; all property lines; proposed addition, if any, along with the minimum building setback lines; the required parking spaces for both dwelling units; and any man-made conditions which might affect construction.
 - iv. Municipal building permit fees shall be waived in all cases involving affordable accessory apartment development under this section.
 - v. The maximum number of creditable accessory apartments shall be equal to no more than two units.
4. Market to Affordable program (per N.J.A.C. 5:97-6.9).
- a. The market to affordable program permits the purchase or subsidization of unrestricted units through a mortgage write-down provided to an income-certified buyer or through a sale or rental as a low- or moderate-income unit to an income-eligible household. The market to affordable program may produce both low- and moderate-income units.
 - b. At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
 - c. The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
 - d. A minimum subsidy of \$25,000 per moderate-income unit and/or \$30,000 per low-income unit shall be provided, with additional subsidy depending on the market prices or rents in a municipality.
 - e. The units shall comply with UHAC with the following exceptions:
 - i. Bedroom distribution (N.J.A.C. 5:80-26.4).
 - ii. Low/moderate income split (N.J.A.C. 5:80-26.4).
 - f. Affordability average (N.J.A.C. 5:80-26.4); however:
 - i. The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income; and

- ii. The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40 percent of median income.
5. Extension of Controls Program (for ownership units per N.J.A.C. 5:97-6.14 and UHAC at N.J.A.C. 5:80-26.6(h) through (k) and (m); and for rental units per N.J.A.C. 5:97-6.14 and N.J.A.C. 5:80-26.12(h) through (k)).
 - a. An extension of affordability controls program is established to maintain and extend the affordability of deed restricted units scheduled to come out of their affordability control period, subject to N.J.A.C. 5:97-6.14 and UHAC, including the following:
 - i. The affordable unit meets the criteria for prior cycle (April 1, 1980 - December 15, 1986) or post December 15, 1986 credits set forth in N.J.A.C. 5:97.
 - ii. The affordability controls for the unit are scheduled to expire in the current round; or in the next round of housing obligations if the municipal election to extend controls is made no earlier than one year before the end of the current round;
 - iii. The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards.
 - iv. If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work.
 - v. The municipality shall adhere to the process for extending controls pursuant to UHAC for extending ownership units and rental units, either inclusionary or 100% affordable developments.
 - vi. The deed restriction for the extended control period shall be filed with the County Clerk.
6. Assisted Living Residence (per N.J.A.C. 5:97-6.11).
 - a. An assisted living residence is a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to assure that assisted living services are available. All or a designated number of apartments in the facility shall be restricted to low- and moderate-income households.
 - b. The unit of credit shall be the apartment. However, a two-bedroom apartment shall be eligible for two units of credit if it is restricted to two unrelated individuals.
 - c. A recipient of a Medicaid waiver shall automatically qualify as a low- or moderate-income household.
 - d. Assisted living units are considered age-restricted housing in a HEFSP and shall be included with the maximum number of units that may be age-restricted.
 - e. Low- and moderate-income residents cannot be charged any upfront fees.
 - f. The units shall comply with UHAC with the following exceptions:

- i. Affirmative marketing (N.J.A.C. 5:80-26.16); provided that the units are restricted to recipients of Medicaid waivers;
 - ii. The deed restriction may be on the facility, rather than individual apartments or rooms;
 - iii. Low/moderate income split and affordability average (N.J.A.C. 5:80-26.4); only if all of the affordable units are affordable to households at a maximum of 60 percent of median income; and
 - g. Tenant income eligibility (N.J.A.C. 5:80-26.14); up to 80 percent of an applicant's gross income may be used for rent, food and services based on occupancy type and the affordable unit must receive the same basic services as required by the Agency's underwriting guidelines and financing policies. The cost of non-housing related services shall not exceed one and two-thirds times the rent established for each unit.
7. Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).
 - a. The following provisions shall apply to group homes, residential health care facilities, and supportive shared living housing:
 - i. Units are subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968).
 - ii. Units may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services.
 - iii. The unit of credit shall be the bedroom. However, the unit of credit shall be the unit if occupied by a single person or household.
 - iv. Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to the Act.
 - v. Occupancy shall not be restricted to youth under 18 years of age.
 - vi. In affordable developments with 20 or more restricted units that are supportive housing, two-bedroom units must compose at least five percent of those restricted units.
 - vii. The bedrooms and/or units shall comply with UHAC with the following exceptions:
 - (a) Affirmative marketing; however, group homes, residential health care facilities, permanent supportive housing, and supportive shared living housing shall be affirmatively marketed to broadest possible population of qualified individuals

with special needs in accordance with a plan approved by the sponsoring program;

(b) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.4).

- viii. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with the Act. In the event that a supportive housing provider is unable to record or execute a long-term deed restriction, the units shall be subject to annual recertification by the Municipal Housing Liaison to confirm continued occupancy and compliance with this Section.
- ix. Objective standards shall be applied in the selection of tenants for supportive housing units and shall be designed to ensure that individuals are not excluded in an arbitrary or capricious manner.
- x. The following documentation shall be submitted by the sponsor to the municipality prior to marketing the completed units or facility:
- (a) An Affirmative Marketing Plan in accordance with D1 above; and
- (b) If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.
- xi. The sponsor/owner shall complete annual monitoring as directed by the MHL.

G. Regional Income Limits.

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

H. Maximum Initial Rents And Sales Prices.

1. In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC N.J.A.C. 5:80-26.4.
2. The average rent for all restricted units within each affordable housing development shall be affordable to households earning no more than 52 percent of regional median income.
3. The maximum rent for restricted rental units within each affordable housing development shall be affordable to households earning no more than 60% of regional median income.

The maximum rent may be increased to no more than 70 percent of regional median income for moderate-income units within affordable developments where very-low-income units compose at least 13 percent of the restricted units; however, the number of units with rent affordable to households earning 70 percent of regional median income may not exceed the number of very-low-income units in excess of 13 percent (rounded up) of the restricted units.

4. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income. These very low-income units shall be part of the low-income requirement and very-low-income units should be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count.
5. The maximum sales price of restricted ownership units within each affordable housing development shall be affordable to households earning no more than 70% of median income, and each affordable housing development must achieve an affordability average that does not exceed 55% for all restricted ownership units. In achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type when the number of low- and moderate-income units permits.
6. The master deeds and declarations of covenants and restrictions for affordable developments may not distinguish between restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market-rate purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.
7. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted family units, the following standards shall be met:
 - a. A studio or efficiency unit shall be affordable to a one-person household;
 - b. A one-bedroom unit shall be affordable to a one and one-half person household;
 - c. A two-bedroom unit shall be affordable to a three-person household;
 - d. A three-bedroom unit shall be affordable to a four and one-half person household; and
 - e. A four-bedroom unit shall be affordable to a six-person household.
8. In determining the initial rents and sales prices for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted and special needs and supportive housing developments, the following standards shall be met:
 - a. A studio or efficiency unit shall be affordable to a one-person household;

- b. A one-bedroom unit shall be affordable to a one and one-half person household; and
 - c. A two-bedroom unit shall be affordable to a two-person household or to two one-person households. Where pricing is based on two one-person households, the developer shall provide a list of units so priced to the Municipal Housing Liaison and the Administrative Agent.
9. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the FreddieMac 30-Year Fixed Rate-Mortgage rate of interest), property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 30 percent of the eligible monthly income of the appropriate size household as determined pursuant to N.J.A.C. 5:80-26.7, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
 10. The initial rent for a restricted rental unit shall be calculated so that the total monthly housing expense, including an allowance for tenant-paid utilities, does not exceed 30 percent of the gross monthly income of a household of the appropriate size whose income is targeted to the applicable percentage of median income for the unit, as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented. The rent shall also comply with the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented. The initial rent for a restricted rental unit shall be calculated so the eligible monthly housing expenses/income, including an allowance for tenant-paid utilities does not exceed 30 percent of gross income of and the appropriate household size as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented.
 11. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, following proper notice provided to the occupant household pursuant to N.J.S.A. 2A:18-61.1.f, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." Rent increases for units constructed pursuant to Low-Income Housing Tax Credit regulations shall be indexed pursuant to the regulations governing Low-Income Housing Tax Credits.
- I. Affirmative Marketing.
1. The municipality shall adopt, by resolution, an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
 2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children, to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities

toward Housing Region2 and is required to be followed throughout the period of deed restriction.

3. The Affirmative Marketing Plan provides the following preferences, provided that units that remain unoccupied after these preferences are exhausted may be offered to households without regard to these preferences.
 - a. Where the municipality has entered into an agreement with a developer or residential development owner to provide a preference for very-low-, low-, and moderate-income veterans who served in time of war or other emergency, pursuant to N.J.S.A. 52:27D-311.j, there shall be a preference for veterans for up to 50 percent of the restricted rental units in a particular project.
 - b. There shall be a regional preference for all households that live and/or work in Housing Region2 comprising Morris, Essex, Union, and Warren Counties.
 - c. Subordinate to the regional preference, there shall be a preference for households that live and/or work in New Jersey.
 - d. With respect to existing restricted units undergoing approved rehabilitation for the purpose of preservation or to restricted units newly created to replace existing restricted units undergoing demolition, a preference for the very-low-, low-, and moderate-income households that are displaced by the rehabilitation or demolition and replacement.
4. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Process, including the marketing of initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the municipality shall implement the Affirmative Marketing Process to ensure the Affirmative Marketing of all affordable units, with the exception of affordable programs that are exempt from Affirmative Marketing as noted herein.
5. The Affirmative Marketing Process shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Process, the Administrative Agent shall consider the use of language translations where appropriate.
6. Applications for affordable housing or notices thereof, if offered online, shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and municipal library in the municipality in which the units are located; and the developer's rental or sales office. The developer shall mail applications to prospective applicants upon request and shall make applications available through a secure online website address.
7. In addition to other Affirmative Marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units on the New Jersey Housing Resource Center website. The affirmative marketing plan shall also include the following community and regional organizations: FSHC; the Latino Action Network; the Morris County Housing Alliance; Morris County NAACP; and the Supportive Housing Association. Any other entities, including developers or persons or companies retained to implement the Affirmative Marketing Process, shall comply with this paragraph.

8. In implementing the Affirmative Marketing Process, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
9. The Affirmative Marketing Process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
10. The cost to affirmatively market the affordable units shall be the responsibility of the developer, sponsor or owner, with the exception of Affirmative Marketing for resales, unless otherwise determined or agreed to by the Borough of Netcong, and shall be a condition of approval for any such affordable housing application before the Borough's Planning Board.

J. Selection of Occupants of Affordable Housing Units.

1. The Administrative Agent shall use a random selection process to select occupants of very low-, low- and moderate-income housing.
2. A pool of interested households will be maintained in accordance with the provisions of N.J.A.C. 5:80-26.16.

K. Occupancy Standards.

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

L. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

1. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.6, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years subject to the requirements of N.J.A.C. 5:80-26.6, as may be amended and supplemented.
2. Rehabilitated housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years (crediting towards present need only).
3. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit. The date of commencement shall be identified in the deed restriction.

4. If existing affordability controls are being extended, the extended control period for a restricted ownership unit commences on the effective date of the extension, which is the end of the original control period.
5. After the end of any control period, the restricted ownership unit remains subject to the affordability controls set forth in this subchapter until the owner gives notice of their intent to make an exit sale, at which point:
 - a. If the municipality exercises the right to extend the affordability controls on the unit, no exit sale occurs and a new control period commences; or
 - b. If the municipality does not exercise the right to extend the affordability controls on the unit, the affordability controls terminate following the exit sale.
6. Prior to the issuance of any building permit for the construction/rehabilitation of restricted ownership units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
7. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
8. At the time of the initial sale of the unit and upon each successive price-restricted sale, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obliging the purchaser, as well as the purchaser's heirs, successors, and assigns, to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
9. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to price-restricted ownership units.

M. Price Restrictions for Restricted Ownership Units and Resale Prices.

1. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, including:
 - a. The initial purchase price and affordability percentage for a restricted ownership unit shall be set by the Administrative Agent.
 - b. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the standards set forth in N.J.A.C 5:80-26.7.
 - i. If the resale occurs prior to the one-year anniversary of the date on which title to the unit was transferred to a certified household, the maximum resale price for a is the most recent non-exempt purchase price.
 - ii. If the resale occurs on or after such anniversary date, the maximum resale price is the most recent non-exempt purchase price increased to reflect the cumulative

annual percentage increases to the regional median income, effective as of the same date as the regional median income calculated pursuant to N.J.A.C. 5:80-26.3

- c. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be:
 - i. those that render the unit suitable for a larger household or the addition of a bathroom.
 - ii. The maximum resale price may be further increased by an amount up to the cumulative dollar value of approved capital improvements made after the last non-exempt sale for improvements and/or upgrades to the unit, excluding capital improvements paid for by the entity favored on the recapture note and recapture lien described at N.J.A.C. 5:80-26.6(d);
 - d. No increase for capital improvements is permitted if the maximum resale price prior to adjusting for capital improvements already exceeds whatever initial purchase price the unit would have if it were being offered for purchase for the first time at the initial affordability percentage. All adjustments for capital improvements are subject to 10-year, straight-line depreciation.
2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase but shall be separate and apart from any contract of sale for the underlying real estate. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price of the air conditioning equipment, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The seller and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

N. Buyer Income Eligibility.

1. Buyer income eligibility for restricted ownership units shall be established pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented, such that very low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 30% of median income, low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for occupancy by households with a gross household income less than 80% of median income.
2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the municipality, and subject to the Division's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there

is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit. Similarly, the administrative agent may permit low-income purchasers to buy very-low-income units in housing markets where, as determined by the Division, units are reserved for very-low-income purchasers, but there is an insufficient number of very-low-income purchasers to permit prompt occupancy of the units. In such instances, the purchased unit must be maintained as a very-low-income unit and sold at a very-low-income price point such that on the next resale the unit will still be affordable to very-low-income households and able to be purchased by a very-low-income household. A very-low-income unit that is seeking bonus credit pursuant to N.J.S.A. 52:27D-311.k(9) must first be advertised exclusively as a very-low-income unit according to the Affirmative Marketing requirements at N.J.A.C. 5:80-26.16, then advertised as a very-low-income or low-income unit for at least 30 additional days prior to referring any low-income household to the unit.

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

O. Limitations on Indebtedness Secured by Ownership Unit; Subordination.

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.

2. With the exception of original purchase money mortgages, neither an owner nor a lender shall at any time during the control period cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C. 5:80-26.7(c).

P. Control Periods for Restricted Rental Units.

1. Control periods for units that meet the definition of prior round units shall be pursuant to the 2001 UHAC rules originally adopted October 1, 2001, 33 N.J.R. 3432, and amended December 20, 2004, 36 N.J.R. 5713 and shall remain subject to the requirements of this ordinance for a period of at least 30 years as applicable unless otherwise indicated.
2. Other than for prior round units, control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.12, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 40 years. Restricted rental units created as part of developments receiving 9% Low-Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period for a total of 45 years.
3. The affordability control period for a restricted rental unit shall commence on the first date that a unit is issued a certificate of occupancy following the execution of the deed restriction or, if affordability controls are being extended, on the effective date of the extension, which is the end of the original control period.
4. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years.
5. Prior to the issuance of any building permit for the construction/rehabilitation of restricted rental units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
6. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property. The deed restriction shall be recorded by the developer with the county records office, and provided as filed and recorded, to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.
7. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - a. Sublease or assignment of the lease of the unit;
 - b. Sale or other voluntary transfer of the ownership of the unit;
 - c. The entry and enforcement of any judgment of foreclosure on the property containing the unit; or
 - d. The end of the control period, until the occupant household vacates the unit, or is certified as over-income and the controls are released in accordance with UHAC.

Q. Rent Restrictions for Rental Units; Leases and Fees.

1. The initial rent for a restricted rental unit shall be set by the Administrative Agent.

2. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be retained on file by the Administrative Agent.
3. No additional fees, operating costs, or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
 - a. Operating costs, for the purposes of this section, include certificate of occupancy fees, move-in fees, move-out fees, mandatory internet fees, mandatory cable fees, mandatory utility submetering fees, and for developments with more than one and a half off-street parking spaces per unit, parking fees for one parking space per household.
4. Any fee structure that would remove or limit affordable unit occupant access to any amenities or services that are required or included for market-rate unit occupants is prohibited. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
5. Fees for unit-specific, non-communal items that are charged to market-rate unit tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may also be charged to affordable unit tenants, if applicable.
6. Pet fees may not exceed \$30.00 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited.
7. Fees charged to affordable unit tenants for other optional, unit-specific, non-communal items shall not exceed the amounts charged to market-rate tenants.
8. For any prior round rental unit leased before December 20, 2024, elements of the existing fee structure that are consistent with prior rules, but inconsistent with 5:80-26.13(c)1, may continue until the occupant household's current lease term expires or that occupant household vacates the unit, whichever occurs later.

R. Tenant Income Eligibility.

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

N.J.A.C. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

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

S. Municipal Housing Liaison.

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

- h. Overseeing the recording of a preliminary instrument in the form set forth at N.J.A.C. 5:80-26.1 for each affordable housing development.
- i. Coordinating with the Administrative Agent, municipal attorney and municipal Construction Code Official to ensure that permits are not issued unless the document required in C.8. above has been duly recorded.
- j. Listing on the municipal website contact information for the MHL and Administrative Agents.

T. Administrative Agent.

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

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

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

U. Responsibilities of The Owner of a development containing affordable units.

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

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

- f. The State-approved planned real estate development public offering statement and/or master deed, where applicable, as well as the full build-out budget.

V. Enforcement of Affordable Housing Regulations

1. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
2. After providing written notice of a violation to an owner, developer or tenant of an affordable unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - a. The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:
 - i. A fine of not more than \$500 or imprisonment for a period not to exceed 90 days, or both, unless otherwise specified below, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
 - ii. In the case of an owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - iii. In the case of an owner who has rented his or her affordable unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
3. The municipality shall have the authority to levy fines against the owner of the development for instances of noncompliance with NJHRC advertising requirements (N.J.S.A. 52:27D-321.6.e.(2)), following written notice to the owner. The fine for the first offense of noncompliance shall be \$5,000, the fine for the second offense of noncompliance shall be \$10,000, and the fine for each subsequent offense of noncompliance shall be \$15,000.
4. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.

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

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

SECTION 2. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

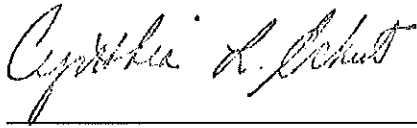
SECTION 3. All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 4. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of the ordinance duly adopted by the Borough Council of Netcong, New Jersey, at a meeting held on March XX, 2026.

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**

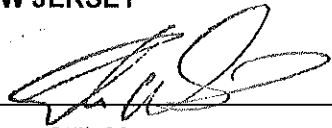
ATTEST:



Cynthia Eckert, Borough Clerk

Introduced: 2/12/26

Adopted: 3/12/26

By: 

Elmer Still, Mayor

BOROUGH OF NETCONG
MORRIS COUNTY, NEW JERSEY

ORDINANCE 2026-9

AN ORDINANCE OF THE BOROUGH OF NETCONG AMENDING CHAPTER 194,
"LAND DEVELOPMENT PROCEDURES", REPEALING AND REPLACING
CHAPTER 194, ARTICLE XIII, "MANDATORY DEVELOPMENT FEES", OF THE
CODE OF THE BOROUGH OF NETCONG, NEW JERSEY

BE IT ORDAINED by the Borough Council of the Borough of Netcong, in the County of Morris and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Netcong, Chapter 194 Article XIII, "Mandatory Development Fees," shall be repealed and replaced to read, in its entirety, as follows:

The definitions provided in Chapter 194, Article XIV of the Code of the Borough of Netcong shall apply to this section.

§ 194-101. Mandatory Development Fees.

A. Development Fees.

1. Purpose

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

2. Basic Requirements

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

3. Residential Development Fees

a. Imposed fees

- i. Residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value

for residential development, provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.

- ii. When an increase in residential density is permitted pursuant to a “d” variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a “bonus” development fee of 6.0% of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

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

- b. Eligible exactions, ineligible exactions and exemptions for residential development
 - i. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the municipality and if approved by a municipality prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2, shall be exempt from development fees.
 - ii. Developments that have received preliminary or final site plan approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
 - iii. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.

- iv. No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster, even if the new structure has an increased EAV as compared to the previous structure.

4. Non-Residential Development Fees

a. Imposition of fees

- i. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- ii. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- iii. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvements and the equalized assessed value of the newly improved structure; i.e., land and improvements; and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

b. Eligible exactions, ineligible exactions and exemptions for non-residential development

- i. The non-residential portion of a mixed-use inclusionary or market-rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
- ii. The 2.5% fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

c. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.

d. A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.

e. If a property that was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property

shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the municipality as a lien against the real property of the owner.

5. Collection Procedures

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

6. Appeal of development fees

- a. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by that board, collected fees shall be placed in an interest-bearing escrow account by the municipality. Appeals from a determination of the board may be made to the Tax Court in accordance

with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

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

7. Affordable Housing Trust Fund

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

- ii. Failure to commit or expend development fees within four years of the date of collection in accordance with N.J.A.C. 5:99-5.5;
 - iii. Failure to comply with the requirements of the Non-Residential Development Fee Act and N.J.A.C. 5:99-3;
 - iv. Failure to submit accurate monitoring reports pursuant to this subchapter within the time limits imposed by the Act, this chapter, and/or the Division;
 - v. Expenditure of funds on activities not approved by the Superior Court or otherwise permitted by law;
 - vi. Revocation of compliance certification or a judgment of compliance and repose;
 - vii. Failure of a municipal housing liaison or administrative agent to comply with the requirements set forth at N.J.A.C. 5:99-6, 7, and 8;
 - viii. Other good cause demonstrating that municipal affordable housing funds are not being used for an approved purpose.
- e. All interest accrued in the housing trust fund shall only be used on eligible affordable housing purposes approved by the Court.

8. Use of Funds

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

infrastructure assistance, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.

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

9. Monitoring

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

10. Ongoing Collection of Fees

- a. The ability to impose, collect and expend development fees shall continue so long as the municipality retains authorization from the Court in the form of Compliance Certification or the good faith effort to obtain it.
- b. If the municipality fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the New Jersey Affordable Housing Trust Fund established pursuant to section 20 of P.L.1985, c.222 (C. 52:27D-320).

- 11. Emergent Affordable Housing Opportunities. Requests to expend affordable housing trust funds on emergent affordable housing opportunities not included in the municipal fair share plan shall be made to the Division and shall be in the form of a governing body resolution. Any request shall be consistent with N.J.A.C. 5:99-4.1.

SECTION 2. If any section or provision of this Ordinance shall be held invalid in any Court of competent jurisdiction, the same shall not affect the other sections or provisions of this Ordinance, except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

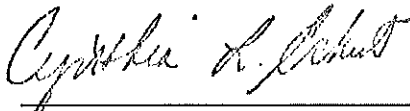
SECTION 3. All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 4. This Ordinance shall take effect immediately after final passage and publication in the manner provided by law.

CERTIFICATION: I hereby certify the foregoing to be a true and correct copy of the ordinance duly adopted by the Borough Council of Netcong, New Jersey, at a meeting held on March XX, 2026.

**BOROUGH OF NETCONG
COUNTY OF MORRIS
STATE OF NEW JERSEY**


ATTEST:



Cynthia Eckert, Borough Clerk

Introduced: 2/12/26

Adopted: 3/2/26

By: 

Elmer Still, Mayor

AN ORDINANCE TO AMEND THE “PHASE 1 AMENDMENT TO THE STATION AREA REDEVELOPMENT PLAN,” DATED AUGUST 2016

WHEREAS, pursuant to N.J.S.A. 40A:12A-5, the Borough Council of the Borough of Netcong (hereinafter “Borough Council”) adopted Resolution #2004-67 on June 10, 2004, finding that property contained within the delineated area as set forth in that Resolution was an area to be in need of redevelopment; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, no redevelopment project shall be undertaken or carried out except in accordance with a redevelopment plan adopted by Ordinance of the Municipal Governing Body; and

WHEREAS, on January 13, 2005, the Borough Council adopted Resolution #2005-21 forwarding the “Borough of Netcong Station Area Redevelopment Plan” (hereinafter “Plan”) to the Netcong Borough Planning Board (hereinafter “Planning Board”) for review of consistency with the Borough of Netcong Master Plan (hereinafter “Master Plan”); and

WHEREAS, on March 28, 2005, the Planning Board adopted Resolution #2005-08 determining that the Plan was consistent with the Master Plan; and

WHEREAS, the Borough Council on April 14, 2005 adopted Ordinance #2005-2 establishing the Plan dated February 2005; and

WHEREAS, the Borough Council retained Paul Phillips, P.P. of Phillips Preiss Shapiro Associates, Inc. to review the Plan and prepare an amendment to address a number of economic and demographic changes that have occurred since 2005, which changes have altered planning and development throughout New Jersey; and

WHEREAS, Paul Phillips, P.P. prepared an amendment to the Plan to address the above-noted changes and capitalize on New Jersey Transit’s desire to sell its 4.5-acre property adjacent to the Train Station; and

WHEREAS, the amendment entitled, “Phase 1 Amendment to the Station Area Redevelopment Plan,” and dated August 2016 provided for a phased approach to the build out of the Station Area and address the economic and demographic changes that have taken place over time; and

WHEREAS, the Borough Council adopted the “Phase 1 Amendment to the Station Area Redevelopment Plan,” on October 13, 2016;

WHEREAS, in January 2025, the Borough filed a resolution of participation in the Affordable Housing Dispute Resolution Program and a declaratory judgment action pursuant to the Fair Housing Act;

WHEREAS, the Borough adopted a Fourth Round Housing Element and Fair Share Plan (“HEFSP”) in June 2025. Fair Share Housing Center (“FSHC”) filed a challenge regarding the Borough’s HEFSP in September 2025;

WHEREAS, the Borough and FSHC agreed to amicably resolve the issues set forth in the challenge and reached a mediation agreement in December 2025;

WHEREAS, as a condition of the mediation agreement, the Borough agreed to address a portion of its Fourth-Round unmet need by amending the Station Area Redevelopment Plan to allow for greater density that could provide additional affordable housing units; and

WHEREAS, the Borough Council retained Elizabeth Leheny, AICP, P.P. of Phillips Preiss Grgyiel Leheny Keller LLC to prepare the “Amended Phase 1 Amendment to the Station Area Redevelopment Plan,” which increase the maximum permitted density permitted in the Phase 1 area from 32 dwelling units per acre in the 2016 Phase 1 Plan to 36 dwelling units per acre so as to create a realistic opportunity for the development of additional affordable housing units; and to ensure that

those affordable housing units comply with the most recent amendments to the Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).

NOW, THEREFORE, BE IT ORDAINED, by the Borough Council of the Borough of Netcong, in the County of Morris, and State of New Jersey, as follows:

Section 1. The Phase 1 Amendment to the Station Area Redevelopment Plan dated August 2016 is hereby amended as follows:

“I. Intent and Purpose of the Phase 1 Amendment

I. Introduction

In 2005, the Borough of Netcong adopted the Station Area Redevelopment Plan following a multiyear community visioning and planning initiative. Although the Station Area Redevelopment Plan was well conceived from a planning and design standpoint, its implementation was to a large extent dependent upon a developer or developers gaining control of all of the key land holdings within the Plan Area. After its adoption in 2005 there was no progress in assembling the properties within the Station Area to implement the street layout and land use plan originally envisioned by the Redevelopment Plan. Progress remains stymied by current ownership patterns and certain plan requirements.

In 2016, the Borough adopted *Phase 1 Amendment to the Station Area Redevelopment Plan* (the “2016 Amendment”) for a 4.5-acre portion of the Station Area redevelopment effort adjacent to the train station and owned by NJ Transit to allow for a phased approach to the build-out of the Station Area. The 2016 Amendment to the Station Area Redevelopment Plan was intended to facilitate the redevelopment of the NJ Transit property as “Phase 1” of the overall redevelopment project. The Phase 1 Area consists of Block 19, Lots 35, 36, 38 and 39, along with a portion of Lot 37 (as delineated in Figures 1 and 2). The entirety of the Phase 1 Area is owned by NJ Transit. It was anticipated that a subsequent amendment(s) to the Redevelopment Plan would be necessary in order to specify the land use, building and infrastructure requirements for the remainder of the overall Station Area Redevelopment Area. The standards in the 2016 Amendment were intended

to provide flexible development requirements for the Phase 1 Area in order to catalyze investment in the Station Area and effectuate the goals and objectives of the original Redevelopment Plan.

In January 2025, the Borough filed a resolution of participation in the Affordable Housing Dispute Resolution Program and a declaratory judgment action pursuant to the Fair Housing Act. The Borough adopted a Fourth Round Housing Element and Fair Share Plan (“HEFSP”) in June 2025. Fair Share Housing Center (“FSHC”) filed a challenge regarding the Borough’s HEFSP in September 2025. The Borough and FSHC agreed to amicably resolve the issues set forth in the challenge and reached a mediation agreement in December 2025. As a condition of the mediation agreement, the Borough agreed to address a portion of its Fourth Round unmet need by amending the Station Area Redevelopment Plan to allow for greater density that could provide additional affordable units.

Pursuant to the mediation agreement, this *Amended Phase 1 Amendment to the Station Area Redevelopment Plan* amends the 2016 Amendment by increasing the maximum permitted density from 32 units per acre to 36 units per acre to provide a realistic development potential of affordable housing units. Aside from the maximum permitted density, all other standards in the 2016 Amendment remain. Additionally, the original Station Area Redevelopment Plan remains in full force and effect for the balance of the Station Area Redevelopment Area until such time as it is further amended by the Borough of Netcong.

II. Development Standards for Phase 1 Area

A. Overview

The Phase 1 Area is envisioned to include a mixed-use development with a significant multifamily residential component to create a critical mass of new residents adjacent to the train station. The design of new development within the Phase 1 Area should emphasize the train station as a focal point and include pedestrian-oriented retail uses with outdoor seating to enliven the area adjacent to the station and provide a welcoming entrance to downtown Netcong.

B. Permitted uses

The following land uses shall be permitted within the Phase 1 Area.

1. Multifamily residential dwellings (for-sale or for-rent)
2. Retail
3. Office
4. Surface and structured parking

C. Maximum density

The maximum permitted density within the Phase 1 Area shall be 36 units per acre.

The maximum permitted density shall be increased to 40 units per acre if structured parking is included within the Phase 1 Area.

It is further understood that the above densities are intended for only those lands adjacent to the train station and that for the remainder of the Station Area Redevelopment Area (i.e., outside the limits of the Phase 1 Area) lower densities will be prescribed as part of any future amendments to the Redevelopment Plan.

D. Retail requirement

A ground floor retail component shall be included in the development of the Phase 1 Area.

E. Affordable housing

Twenty percent of the total housing units within Phase 1 shall be affordable units and shall comply with all standards in the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).

F. Parking requirements

All new development within the Phase 1 Area shall be subject to the following parking requirements.

1. Residential parking shall be provided in accordance with the New Jersey Residential Site Improvement Standards, however the developer may request the Planning Board to entertain a reduction in the parking requirement based on local conditions, such as adjacency to the train station, and the characteristics of the proposed development.
2. Parking for commercial uses shall be 4 spaces per 1,000 square feet.
3. The developer shall have the right to count on-street parking spaces located within the boundaries of the Phase 1 Area towards commercial parking requirements.
4. The replacement of existing commuter parking spaces within the Phase 1 Area shall be subject to an agreement between the developer and NJ Transit.
5. A determination of the actual parking requirement for Phase 1 may be based upon the shared parking opportunities provided by the mix of uses in the project. The developer is encouraged to submit a shared parking analysis prepared by a qualified parking expert or licensed professional planner based on the anticipated hours of operation and specific operational characteristics of the users of the proposed development. The shared parking analysis shall be subject to the review of the Borough’s professional staff and consultants, and the review and approval of the Planning Board.

III. Building Bulk and Design Guidelines

A. General Intent

The Phase 1 Area is envisioned as the highest-density core of the Station Area due to its adjacency to the train station. Development within the Phase 1 Area should achieve a “sidewalk-oriented, pedestrian-friendly architectural form at the street level” as envisioned by the original Redevelopment Plan.

B. Building Height

The maximum building height within the Phase 1 Area shall be 4 stories or 50 feet, whichever is less.

C. Setbacks

Buildings should be located within 10 feet of the public right-of-way.

D. Other

Consistent with the original plan, all other bulk requirements including side and rear yards, lots sizes and other standards have been intentionally left flexible to allow for creativity in development proposals for the Phase 1 Area.

E. Public Realm

This Amendment for Phase 1 supersedes the Public Realm Requirements in the original Redevelopment Plan. Creative and innovative approaches to modifying the street grid and open space plan depicted in the original 2005 Redevelopment Plan will be entertained by the Planning Board. However, future development within the remainder of the Plan Area (i.e., outside the limits of the Phase 1 Area) should be anticipated as part of the Phase 1 development. As such, any proposed revisions to the street grid shall ensure adequate circulation and connectivity is provided within the overall redevelopment area upon completion.

F. Building Design

a. General Intent

New buildings within the Phase 1 Area should adhere to the following four design principles:

1. Place buildings to frame streets and the station area, creating intimate, pedestrian-scaled public spaces and emphasizing important visual corridors.
2. Use architectural massing of buildings to create a friendly, active relationship to public spaces in terms of location of main entries and transparency of windows.
3. Encourage high-quality form and application of materials that are in keeping with the local vernacular architectural style.
4. Use a unified design approach among buildings to create a strong sense of place and neighborhood.

b. Building Material and Form

Buildings in the Phase 1 Area are encouraged to make use of materials and forms that reflect the historic and vernacular building styles in Netcong and Morris County.

c. Parking Facilities

As part of the goal of encouraging pedestrian-friendly design in the Plan Area, the visibility of off-street parking areas from streets, sidewalks and other public areas should be minimized.

IV. Relationship to Station Area Redevelopment Plan and Zoning Ordinance

This Amendment to the Station Area Redevelopment Plan sets forth the development standards for the Phase 1 Area. As such, the requirements set forth herein shall supersede the requirements applicable to the Phase 1 area as described in Chapters 1, 3 and 7 of the Station Area Redevelopment Plan, as well as the Borough's zoning ordinance. The balance of the Redevelopment Plan shall remain as previously adopted. The Borough of Netcong reserves the right to further amend the Redevelopment Plan in order to achieve its goals and objectives for the Station Area.”

Section 2. This Ordinance may be renumbered for codification purposes.

Section 3. The Borough Clerk is hereby authorized and directed to provide a copy of this Ordinance to the Netcong Borough Planning Board in accordance with the requirements of N.J.S.A. 40A:12A-7 for a determination of consistency with the Borough's Master Plan. The Planning Board shall issue a report to the Governing Body containing its recommendations within forty-five (45) days after referral.

Section 4. The Borough Clerk is hereby authorized and directed to give notice at least ten (10) days prior to the hearing on the adoption of this Ordinance to the County Planning Board, and to all others entitled thereto pursuant to the provisions of N.J.S.A. 40:55D-15. Upon adoption of this Ordinance, after public hearing thereon, the Borough Clerk is further directed to public notice of the passage thereof and to file a copy of this Ordinance as finally adopted with the County Planning Board as required by N.J.S.A. 40:55D-16 and with the Borough Tax Assessor.

Section 5. All ordinances of the Borough of Netcong, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of such inconsistency.

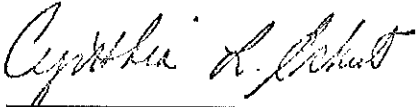
Section 6. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 7. This Ordinance shall take effect upon final passage and publication as required by law.

NOTICE IS HEREBY GIVEN, that the foregoing Ordinance was introduced in writing at a meeting of the Borough Council of the Borough of Netcong, County of Morris and State of New Jersey, held on the 12th day of February, 2026 introduced and read by title and passed on the first reading and that the said Governing Body will further consider the same for second reading and final passage thereon at a meeting to be held on the 12 day of March, 2026 at 7:30 p.m., prevailing time, at the Municipal Building in said Borough, at which time and place a public hearing will be held thereon by the Governing Body and all persons and citizens in interest shall have an opportunity to be heard concerning same.

BOROUGH OF NETCONG

ATTEST:



Cynthia Eckert, Clerk

By: 

Elmer Still, Mayor

Introduced: 02/12/2026

Adopted: 3/12/26

Published: 3/13/26