

ORDINANCE 2026—15

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH,
STATE OF NEW JERSEY

AN ORDINANCE AMENDING ORDINANCE NO. 2026-08 TO INCLUDE A "REHABILITATION PROGRAM" AS SET FORTH
WITHIN THE BOROUGH'S FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, on March 10, 2026, the Borough of Neptune City (the "Borough") adopted Ordinance No. 2026-08 amending the Borough's Land Use Procedures to Create New Article V, "Affordable Housing Regulations" implementing the Borough's Fourth Round Affordable Housing Element and Fair Share Plan ("HEFSP"); and

WHEREAS, as part of the Borough's HEFSP the Borough will participate in a "Rehabilitation Program" in order to satisfy its Present Need Obligation of affordable housing units; and

WHEREAS; it has been determined that Ordinance No. 2026-08 did not include a provision addressing the Borough's participation in a "Rehabilitation Program" as set forth in the HEFSP; and

WHEREAS; the Mayor and Council of the Borough of Neptune City desire to amend Ordinance No. 2026-08 to include Section §15-50, C., "Rehabilitation Program" prior to its codification.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Neptune City, County of Monmouth, State of New Jersey, as follows: ~~MODEL AFFORDABLE HOUSING ORDINANCE GUIDANCE DOCU~~

SECTION 1. Section 1 of Ordinance No. 2026-08 is hereby amended Chapter 15: "Land Use Procedures" of the Revised General Ordinances of the Borough of Neptune City is hereby amended as follows (~~stricken text~~ deleted, **bold underlined text** added, language that remains unchanged is not highlighted in any way):

CHAPTER 15: LAND USE PROCEDURES

* * *

ARTICLE V: AFFORDABLE HOUSING REGULATIONS

~~1.~~ §15-50

Affordable Housing Programs

~~A.~~ 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.

~~B.~~ Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).

~~B.~~ (1) The following provisions apply to group homes, residential health care facilities, and supportive shared living housing:

(1) ~~(a)~~ 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).

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C. Rehabilitation Program

C.

(1) 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.

(1) Both ownership and rental units shall be eligible for rehabilitation funds.

(2) All rehabilitated rentals 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.

(2) The Borough shall dedicate a minimum of \$40,000 for each unit to be rehabilitated through this program reflecting the minimum hard cost of rehabilitation for each unit and in addition shall dedicate associated rehabilitation program soft costs such as case management, inspection fees and work write-ups.

(3) The Borough of Neptune City 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 a rehabilitation manuals for the owner occupancy rehabilitation program and a rehabilitation manual for the rental occupancy rehabilitation program to be adopted by resolution of the governing body and subject to approval of the Court. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and on the municipal affordable housing web page.

(5) Households determined to be very low-, low-, or moderate-income may participate in a rehabilitation program. Units in a rehabilitation program 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:

(a) 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 the unit to be rented to a low- or moderate-income household at an affordable rent.

(a) If a 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 permitted rent pursuant to UHAC.

(b) Rents in rehabilitated units may increase annually based on the standards in UHAC.

(6) At the time of application, applicant households and/or tenant households shall be subject to income-eligibility in accordance with UHAC.

SECTION 2. If any article, 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 and they shall remain in full force and effect.

SECTION 3. In the event of any inconsistencies between the provisions of this Ordinance and any prior ordinance of the Borough, the provisions hereof shall be determined to govern. All other parts, portions and provisions of The Revised General Ordinances of the Borough of Neptune City are hereby ratified and confirmed, except where inconsistent with the terms hereof.

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SECTION 4. This Ordinance shall take effect upon adoption and publication and review in accordance with the laws of the State of New Jersey.

Introduction Date: May 26, 2026

Adoption Date: June 29, 2026

Corinne DiCorcia Williams

Corinne DiCorcia Williams, RMC
Borough Clerk

Signed: 06/29/2026



Rachel McGreevy

Rachel McGreevy, Mayor
Borough of Neptune City

Date Introduced: ~~May 26, 2026~~

Public Hearing: ~~June 29, 2026~~

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