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BULLETIN 02-1

Issued: January 2002 Code Ref. Update: September 2022
Subject: Affordable Housing
Reference: N.J.A.C. 5:23-4.19(b)3 and N.J.A.C. 5:43-1.5

This bulletin contains the definition of what constitutes “affordable housing” for purposes of applying the training fee (i.e. permit surcharge) exemption. Affordable housing applies to housing subject to long-term affordability controls under the Fair Housing Act. These controls are placed on the resale of affordable units by local planning boards. The units are restricted to persons of low or moderate income. A person whose income is classified as “low” is 50 percent or less of the median county income, while “moderate” income is between 50 and 80 percent, as defined by the Council on Affordable Housing. A rental unit is considered affordable if the monthly rent, which includes the estimated cost of utilities paid by the tenant, is 30 percent or less of the person’s income. Homeowner units are considered affordable if the monthly carrying costs do not exceed 28 percent of a person’s income, including principal and interest, based on a mortgage equivalent to 95 percent of the purchase price, taxes, homeowner and private mortgage insurance, and condominium fees.

N.J.A.C. 5:43-1.5, referenced at N.J.A.C. 5:23-4.19(b)3, is from the Balanced Housing Program regulations administered by the Department of Community Affairs.

As a reminder, only nonprofit permit applicants are entitled to this fee exemption, pursuant to the Uniform Construction Code Act (N.J.S.A. 52:27D-126d).