

**BOROUGH OF DEMAREST  
COUNTY OF BERGEN**

**ORDINANCE # 1169-25**

**AN ORDINANCE AMENDING CHAPTER 175 – ZONING TO INCREASE THE AFFORDABLE SET-ASIDE IN SECTION 175-46E.(1), AND TO CLARIFY AFFORDABLE PAYMENTS-IN-LIEU IN ORDER TO IMPLEMENT THE RECOMMENDATIONS OF THE 2025 HOUSING ELEMENT & FAIR SHARE PLAN**

**WHEREAS**, the Demarest Planning Board has adopted a 2025 Housing Element & Fair Share Plan for the Fourth Round, which has been endorsed by the Council; and

**WHEREAS**, the 2025 Housing Element & Fair Share Plan makes recommendations for amendments and updates to the ordinance, which are aimed at encouraging development and/or redevelopment to address the Borough’s constitutional obligation to provide affordable housing; and

**WHEREAS**, the payment-in-lieu language must also be clarified and updated; and

**WHEREAS**, the Borough wishes to implement the recommendations provided in the 2025 Housing Element & Fair Share Plan; and

**WHEREAS**, the Mayor and Borough Council have reviewed the 2025 Housing Element & Fair Share Plan and agree Chapter 175 of the Borough’s Code should be amended to implement the recommendations of the 2025 Housing Element & Fair Share Plan to address the Borough’s affordable housing obligation.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Borough Council of the Borough of Demarest, County of Bergen, State of New Jersey, that the following amendments be made to the Municipal Code of the Borough of Demarest:

**SECTION 1.** Amend Chapter 175 “Zoning”, Article IX “Affordable Housing District”, § 175-46 “Affordable housing regulations” to add the following underlined text and delete text in ~~strikeout~~:

E. Borough-wide set-aside.

(1) Any property in the Borough of Demarest that receives a use variance, density variance increasing the permissible density at the site, a rezoning permitting multifamily residential housing where not previously permitted or a new redevelopment plan, to permit multifamily residential development, which would yield five or more additional units (over and above those already permitted as of right), that are developed at a density of six or more units per acre, shall provide a minimum affordable housing set-aside of 20%, regardless of tenure;

~~(a) 15% if the affordable units will be for rent; or~~

~~(b) 20% set-aside if the affordable units will be for sale.~~

J. Fractional units and payments in lieu.

- (1) Inclusionary developments that result in a fractional affordable housing obligation of less than 0.50~~4 or less~~ may round the number of affordable units down. The application shall make a prorated payment-in-lieu to cover the fraction.
- (2) If the required number of affordable units results in a fraction of 0.5 or greater, the applicant shall round up and provide the additional affordable unit.
- (3) The payment-in-lieu for Demarest shall be ~~\$240,000~~ \$200,000 for ~~2025~~ 2019. The payment-in-lieu shall increase by 3% each year. To calculate the payment-in-lieu, the developer shall multiply the fraction by the payment. For example, a fraction of 0.4 triggered in ~~2025~~ 2020 would require a payment of ~~\$96,000~~ \$82,400. The payment shall be made to the Borough's Affordable Housing Trust Fund.

**SECTION 2. Severability.**


If any section, subsection, paragraph, sentence, or other part of this Ordinance is adjudged unconstitutional or invalid, such judgment shall not affect or invalidate the remainder of this Ordinance, but shall be confined in its effect to the section, subsection, paragraph, sentence, or other part of this Ordinance directly involved in the controversy with respect to which said judgment shall have been rendered, and all other provisions of this Ordinance shall remain in full force and effect.

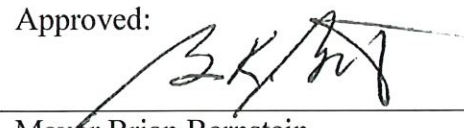
**SECTION 3. Inconsistent Ordinances Repealed.**

All ordinances or parts of ordinances, which are inconsistent with the provisions of this Ordinance are hereby repealed, but only to the extent of such inconsistencies.

**SECTION 4. Effective Date.**

This Ordinance shall take effect immediately upon final adoption and publication in the manner prescribed by law, and its provisions shall apply to all building permits applied for on or after the date of adoption and publication hereof as prescribed by law.

Attest:  
  
\_\_\_\_\_  
Julie Falkenstern, RMC  
Municipal Clerk

Approved:  
  
\_\_\_\_\_  
Mayor Brian Bernstein

Introduced: October 14, 2025

Adopted: November 10, 2025