

**CITY OF SEA ISLE CITY
NEW JERSEY**

ORDINANCE NO. 1731 (2026)

**AN ORDINANCE TO AMEND THE REVISED GENERAL ORDINANCES OF THE
CITY OF SEA ISLE CITY, CHAPTER 26 TO IMPLEMENT FAIR SHARE HOUSING
AGREEMENT TERMS AND RESOLVE A DISCREPANCY IN THE LANGUAGE USED
IN THE GENERAL REQUIREMENTS FOR MAXIMUM BUILDING HEIGHT**

WHEREAS, from time to time, periodic revisions are made to the Revised General Ordinances as deemed appropriate; and

WHEREAS, the New Jersey Council on Affordable Housing (hereinafter “COAH”) has promulgated rules, set forth in N.J.A.C. sections 5:93 and 5:91, concerning the substantive and procedural requirements for obtaining judicial certification of the City’s Housing Elements and Fair Share Plan; and

WHEREAS, On March 10, 2015, the New Jersey Supreme Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges within the Superior Court division; and

WHEREAS, the City of Sea Isle City (hereinafter the “City” or “Sea Isle”) having filed a resolution of participation in the Affordable Housing Dispute Program (hereinafter the “Program”) and a declaratory judgment action pursuant to N.J.S.A. 52:27-7D-301 to -329.20 (hereinafter the “Fair Housing Act”) on January 29, 2025; and

WHEREAS, the Court entered an order on March 27, 2025, setting the City’s Fourth Round fair share obligations and ordering the City to file a Housing Element and Fair Share Plan (hereinafter “HEFSP”) by June 30, 2025; and

WHEREAS, On August 27, 2025, Fair Share Housing Center (hereinafter “FSHC”) filed a challenged pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the City’s filed HEFSP; and

WHEREAS, On December 18, 2025, the City entered into a Mediation Agreement memorializing the settlement terms with FSHC that determined the City’s prior round, present, and fourth round obligations which was uploaded to the Mount Laurel trial judge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24, which if approved would result in a certification of compliance with the Fair Housing Act; and

WHEREAS, on February 3, 2026, the New Jersey Superior Court approved the Mediation Agreement memorializing the settlement terms; and

WHEREAS, the Revised General Ordinances of Sea Isle City contain language that conflicts with the Mediation Agreement and in order to meet full compliance and receive a declaratory judgment from the Superior Court this difference in language must be resolved; and

WHEREAS, from time to time, periodic reviews of the Revised General Ordinances by the City uncover discrepancies in language between the various requirements in the zoning ordinance; and

WHEREAS, one such discrepancy was discovered between the language used in the general requirements for the maximum height of buildings and the maximum height of buildings in each specific zone; and

WHEREAS, the City's intention is to correct this discrepancy by amending the general requirements for the maximum height to match the language used for building height requirements in each zone; and

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sea Isle City, County of Cape May and State of New Jersey as follows:

SECTION I. Chapter 26 Section 43.2.2 of the Revised General Ordinances of the City of Sea Isle City, entitled "Requirements" is hereby amended as follows:

26-43.2.2. Requirements.

- c. For inclusionary projects in which the low- and moderate-income units are to be offered for sale, the set-aside percentage shall be 20%; for projects in which the low- and moderate-income units are to be offered for rent, the set-aside percentage should be 20%.

SECTION II. Chapter 26 Section 43.2.3 of the Revised General Ordinances of the City of Sea Isle City, entitled "Payment in Lieu of Unit Development" is hereby amended as follows:

26-43.2.3. Payment in Lieu of Unit Development.

- a. Developers unable to provide the 20% affordable housing units on site will have the option of providing the units as family affordable housing units elsewhere in the municipality. In a case when fractional units would be required, a payment-in-lieu of providing the fractional affordable units will be permitted.
- b. The payment-in-lieu amount for the fractional unit as provided for in item a, above, shall be as recommended by the Affordable Housing formulas, which in the past has resulted in an amount of \$182,859 per unit. This would require any developer who has a fractional unit as part of their affordable housing obligation to make a payment to the City in the amount of \$182,859 or current amount based on acceptable Affordable Housing formulas per unit, to be deposited into the City's Affordable Housing Trust Fund. The affordable housing requirement shall not be rounded.

SECTION III. Chapter 26 Section 43.3.3 of the Revised General Ordinances of the City of Sea Isle City, entitled “Incentives for Affordable Housing Development” is hereby amended as follows:

26-43.3.3. Incentives for Affordable Housing Development.

- a. For all mixed-use/residential development, any developer seeking five units or more shall set aside 20% of the units (one affordable unit for every five market-rate units by the developer) for development as affordable housing units. The developer shall be permitted an increase in density from the allocation of four upper-story residential units per each 5,000-square-foot lot, as permitted as of November 14, 2017, to an increased density allowing six upper-story residential units per each 5,000-square-foot lot.

SECTION IV. Chapter 26 Section 43.3.4 of the Revised General Ordinances of the City of Sea Isle City, entitled “Payment in Lieu of Unit Development” is hereby amended as follows:

26-43.3.4. Payment in Lieu of Unit Development.

- a. Developers unable to provide the 20% affordable housing units on site will have the option of providing the units as family affordable housing units elsewhere in the municipality. In a case when fractional units would be required, a payment-in-lieu of providing the fractional affordable units will be permitted.
- b. The payment-in-lieu amount for the fractional unit as provided for in item a, above, shall be as recommended by the Affordable Housing formulas, which in the past has resulted in an amount of \$182,859 per unit. This would require any developer who has a fractional unit as part of their affordable housing obligation to make a payment to the City in the amount of \$182,859 or current amount based on acceptable Affordable Housing formulas per unit, to be deposited into the City's Affordable Housing Trust Fund. The affordable housing requirement shall not be rounded.

SECTION V. Chapter 26 Section 52.7 of the Revised General Ordinances of the City of Sea Isle City, entitled “Mixed Nonresidential and Residential Standards” is hereby amended as follows:

26-52.7 Mixed Nonresidential and Residential Standards.

- e. Any development which creates multi-family residential units is subject to the provisions relating to affordable housing under Section 26-43.2.

SECTION VI. Chapter 26 Section 53.7 of the Revised General Ordinances of the City of Sea Isle City, entitled “Mixed Nonresidential and Residential Standards” is hereby amended as follows:

26-53.7 Mixed Nonresidential and Residential Standards.

- e. Any development which creates multi-family residential units is subject to the provisions relating to affordable housing under Section 26-43.2.

SECTION VII. Chapter 26 Section 54.7 of the Revised General Ordinances of the City of Sea Isle City, entitled “Mixed Nonresidential and Residential Standards” is hereby amended as follows:

26-54.7 Mixed Nonresidential and Residential Standards.

- e. Any development which creates multi-family residential units is subject to the provisions relating to affordable housing under Section 26-43.2.

SECTION VIII. Chapter 26 Section 55.13 of the Revised General Ordinances of the City of Sea Isle City, entitled “Mixed Nonresidential and Residential Standards” is hereby amended as follows:

26-55.13 Mixed Nonresidential and Residential Standards.

- e. Any development which creates multi-family residential units is subject to the provisions relating to affordable housing under Section 26-43.2.

SECTION IX. Chapter 26 Section 56.14 of the Revised General Ordinances of the City of Sea Isle City, entitled “Mixed Nonresidential and Residential Standards” is hereby amended as follows:

26-56.14 Mixed Nonresidential and Residential Standards.

- e. Any development which creates multi-family residential units is subject to the provisions relating to affordable housing under Section 26-43.2.

SECTION X. Chapter 26 Section 21.1 of the Revised General Ordinances of the City of Sea Isle City, entitled “Principal Buildings or Structures” is hereby amended as follows:

26-21.1 Principal Buildings or Structures.

- a. Unless specified in the regulations of a particular zoning district, the height of principal buildings or structures in all residential districts and residential structures in nonresidential districts shall not exceed thirty-three (33') feet in a "V" Zone or thirty-two (32') feet in an "A" Zone above the height standards set forth in the local design flood elevation as determined in Chapter 14 entitled “Flood Damage Prevention,” where there is a pitched roof, or twenty-six (26') feet in a "V" Zone or twenty-five (25') feet in an "A" Zone above the height standards set forth in the local design flood

elevation as determined in Chapter 14 entitled "Flood Damage Prevention," where there is a flat roof.

- b. Unless specified in the regulations of a particular zoning district, the height of principal nonresidential buildings or structures in all commercial districts shall not exceed thirty-three (33') feet in a "V" Zone or thirty-two (32') feet in an "A" Zone above the height standards set forth in the local design flood elevation as determined in Chapter 14 entitled "Flood Damage Prevention," where there is a pitched roof, or twenty-six (26') feet in a "V" Zone or twenty-five (25') feet in an "A" Zone above the height standards set forth in the local design flood elevation as determined in Chapter 14 entitled "Flood Damage Prevention," where there is a flat roof.

SECTION XI. Severability. If for any reason any section of this Ordinance shall be declared illegal by any Court of competent jurisdiction, the remaining section of the Ordinance shall remain in full force and effect, notwithstanding.

SECTION XII. Repealer. Any Ordinance or provision thereof inconsistent with this Ordinance is hereby repealed to the extent of such inconsistency.

SECTION XIII. Publication. This Ordinance shall take effect immediately upon the adoption and publication in accordance with the law.

Mary Tighe, Council President

Mayor Leonard C. Desiderio

I HEREBY CERTIFY THAT the foregoing ordinance was duly passed by the City Council of the City of Sea Isle City, New Jersey on first reading at the regular meeting of said Council held on the 10th day of February, 2026 and will be taken up for second reading, public hearing and final passage at the regular meeting of said Council held on the 10th day of March, 2026, in City Hall, 3rd Floor Council Chambers, 233 JFK Blvd., Sea Isle City, New Jersey at 10:00 a.m.

Shannon D. Romano, Municipal Clerk