


# NEW JERSEY AFFORDABLE HOUSING TRUST FUND



## Affordable Housing Production Programs:

- 1. National Housing Trust Fund (NHTF):** up to four (4) units of very low income (<30% AMI) rental housing for Special Needs populations (paired with Project Based Voucher thru Section 8)
- 2. HOME CHDO/HPI:** up to eleven (11) units of low- and moderate-income housing
- 3. Affordable Housing Trust Fund (AHTF):** up to 25 units of low- and moderate-income housing

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- Formerly known as the **Neighborhood Preservation Balanced Housing Program** (regulations apply to the AHTF)
  - Established by the **NJ Fair Housing Act of 1985**
  - Funded by the **Realty Transfer Fee**
  - Mission is to assist in delivery of affordable housing to **low- and moderate-income households**



## **1. MUNICIPAL SETTLEMENT FUND**

Smaller-scale project to assist municipalities fulfill court-sanctioned affordable housing settlements

## **2. NEIGHBORHOOD PARTNERSHIP FUND**

Non-court-sanctioned settlement and Qualified Urban Aid municipalities, where the fund will prioritize further State investments, such as:

- Neighborhood Preservation Program (NPP) (NJDCA);
- Neighborhood Revitalization Tax Credit (NRTC) (NJDCA);
- Main Street (NJDCA);
- Transit Villages (NJDOT);
- Local Aid & Economic Development (NJDOT);
- Opportunity Zone (OZ) Challenge Grant (NJEDA);
- 21st Century Redevelopment Program (NJEDA);
- Other State Investments; and
- Private Sector Investor Partnerships (e.g. – CDFIs, Philanthropic Foundations, Hospitals)

## **3. INNOVATION FUND**

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FUNDING CATEGORIES



<b>FUND CATEGORY</b>	<b>MAXIMUM AWARD</b>	<b>MAXIMUM UNITS</b>	<b>ALLOCATION OF FUNDS</b>
<b>Municipal Settlement Fund</b>	\$6,000,000	25	50%
<b>Neighborhood Partnership Fund</b>	\$6,000,000	25	40%
<b>Innovation Fund</b>	\$2,000,000	Housing/ Non-Housing	10%

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## FUNDING CATEGORIES



## **WHO CAN BE THE DEVELOPER OR SPONSOR?**

- Municipalities
- For-Profit Housing Sponsors
- Non-Profit Housing Sponsors
- Individuals, Corporations, Limited Partnerships, etc.

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DEVELOPER/SPONSOR



Entities in municipalities that meet one of the following criteria:

- Received **Substantive Certification** from COAH.
- Entered into a **judicially-approved compliance agreement** to settle a Fair Share Housing Obligation.
- Subject to a **Court-Ordered Builders Remedy**.
- Is designated as a **receiving municipality** under a **Regional Contribution Agreement (RCA)**.
- Eligible to receive **state aid** pursuant to P.L. 1978, c.14 (N.J.S.A. 52:27D-178 et seq.).
- The municipality has a **judicially-approved settlement agreement** and has been issued a final **Judgment of Compliance and Repose** for a court approved Housing Element and Fair Share Plan.

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WHO IS ELIGIBLE?



## ELIGIBLE

- Rental projects
- Homeownership projects
- Innovative projects (housing & non-housing)

## NON-ELIGIBLE

- Required affordable portion of an inclusionary project
- Conversion of public housing to homeownership
- Projects funded by other sources
- Projects have/is receiving funding from NJDCA or NJHMFA
- Projects containing more than **25 units**
- Projects with affordability controls **less than 20 years**

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ELIGIBLE & NON-ELIGIBLE PROJECTS



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- Application thru SAGE
  - Municipal Resolution of Support
  - Resolution of Support from Applicant's Board
  - Site control
  - Financial commitments must be firm
  - Preliminary/final site plan approvals, where applicable
  - Development schedule
  - Financial proforma
  - Projects cannot be located in a floodplain or environmentally-sensitive area
  - All units must be restricted to households earning less than 80% of AMI
  - Must use NJHAS as AA

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## APPLICATION REVIEW PARAMETERS

- **Gap Financing**
- Must be permanent housing
- Capacity/Experience of developer
- Acquisition – sales price or appraisal
- Reasonable Cost Criteria – Square Footage
  - Developer Fee limited to 8%
  - Soft Cost limited to 28%
  - For rentals, debt coverage ratio is minimum 1.20
- Unit Pricing per **UHAC** (N.J.A.C. 5:80-26 et seq.)
  - 50/50 Low-Mod Split
  - Affordability averages (52% for rental & 55% for homeownership)
  - Affirmative marketing required
  - NJHMFA Housing Resource Center must be utilized

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APPLICATION REVIEW PARAMETERS

- Minimum Unit & Bedroom Size:

UNIT TYPE	MINIMUM UNIT SIZE	MINIMUM BDR SIZE
Studio	500 SF	-
1 Bedroom	600 SF	150 SF
2 Bedroom	750 SF	150 SF & 100 SF
3 Bedroom	950 SF	150 SF & 100 SF
4 Bedroom	1150 SF	150 SF & 100 SF

- Additional Requirements:

- Balanced Housing Green Building Requirements
- Fire Suppression
- Energy Star

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- Leverage
  - Participation in other NJ-funded community development
  - Partnership with private sector investors
  - Other public policies like sustainability, resilience, walkability, mixed-use, accessibility, etc.
  - Project addressing gentrification
  - Projects targeting lower income family and large families
  - Longer affordability period (20+ years)
  - Amenities:
    - Additional baths, porches, storage, yard, off street parking, etc.

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## OTHER REVIEW CRITERIA

## FUNDING CYCLE

- Rolling application process
- Application submitted electronically through **SAGE** with **2 HARD COPY SUBMISSION** of all attachments
- Staff is available for one-on-one technical assistance upon request

## TERMS

- **Rental Project:** Funds are provided as a soft second loan at 1% compounded annually with a term to match the affordability restriction period. Repayment terms are based on 50% of cash flow (0% during construction)
- **For Sale:** Construction financing at 0%
- **Innovation Category – Non-Housing:** Grant or other arrangements

- **NJDCA SAGE:** web-based Grant Management System

<https://dcasage.intelligrants.com/Portal.asp>

Welcome to

**NJDCA SAGE**  
SYSTEM FOR ADMINISTERING GRANTS ELECTRONICALLY

Welcome to the State of New Jersey Department of Community Affairs grant management system. Please choose from the list of options below:

- [View available grant opportunities](#)
- [Download The DCA SAGE User Manual \(PDF\)](#)
- [Go to other NJ State Department's SAGE home page](#)
- [Individuals Seeking Assistance](#)

Downloads

- [Internet Explorer](#)
- [Adobe Acrobat Reader](#)

**Login**

Important! Access for Municipal Engineers and Other Consulting Firms

Username:

Password:

[Request SAGE Access](#)

**If you have installed a pop up blocker, it MUST BE DISABLED before entering the SAGE system.**

This is the DCA's grant management system. It is a system that requires authorization for access. If you do not have a username and password and would like to use DCA SAGE, please contact your Agency Authorized Official who can give you access. If your agency is not registered with DCA SAGE, please have your Agency Authorized Official [Request SAGE Access](#). For DCA SAGE site technical assistance, please contact the DCA SAGE help desk at [helpdesk@dca.nj.gov](mailto:helpdesk@dca.nj.gov) or (609) 292-8134. Thank you.

Powered by [IntelliGrants](#) Copyright 2000-2005 [Aqate Software](#)

APPLICATION - SAGE

## REMEMBER...

- When registering in SAGE, you **MUST** register as the entity that will own the property.

**EXAMPLE:** ABC Community Development Corporation owns a property in the name of LMNOP Urban Renewal, LLC.

Therefore, LMNOP Urban Renewal, LLC is the entity that must register in SAGE.

Welcome to the Department of Community Affairs System for Administering Grants Electronically

**FYI – The file size limit for any upload (attachment) in the system is equal or less to 5 MB (5,000 KB).**

You do not have any system messages.

[High Risk Agencies](#)

### Project Management Task List

▲ Collapse Entire Tree ▲

- [-] RFPs
  - [-] Application Status Management
    - [Affordable Housing Trust Fund 2020](#)
    - [Affordable Housing Trust Fund 2021](#)
    - [National Housing Trust Fund 2021](#)
- [-] Applications
  - [-] Application In Process
    - [-] Division of Housing and Community Resources
      - [-] Affordable Housing Trust Fund
        - [2022-02361-0116, New Jersey Department of Community Affai](#)
  - [-] Application In Staff Review
    - [-] Division of Housing and Community Resources
      - [-] Affordable Housing Trust Fund
        - [2022-02361-0124, Morris Habitat for Humanity](#)
        - [2021-02361-0659, SJCS Rehab, LLC](#)
- [-] Expected Attachments
  - [-] Applications
    - [2021-02361-0997](#)
    - [2022-02361-0124](#)

### Initiate a Grant Application

Select the type of Grant Program :


Initiate


### Quick Links

- Maintain Your Account
  - [Edit Your Contact Information](#)
- DCA SAGE Overview
  - [View All DCA SAGE RFPs](#)
  - [View All DCA SAGE Agencies](#)
  - [View All DCA SAGE Contacts](#)
  - [View All DCA SAGE Applications](#)
  - [View All DCA SAGE Grants](#)
  - [View All DCA SAGE FSRs](#)
  - [View All DCA SAGE Progress Reports](#)
  - [View All DCA SAGE Grant Orders](#)
  - [View All DCA SAGE Payments](#)
  - [View All DCA SAGE FSAs](#)
  - [View All DCA SAGE Agency Information Updates](#)
  - [View All DCA SAGE Audits](#)
  - [View Old System Messages](#)
  - [View Old Expected Attachments](#)
  - [View All DCA SAGE Reports](#)
  - [View available grant opportunities](#)
  - [View Application Expected Attachments](#)
  - [Admin Terms and Conditions](#)
- DCA SAGE Manuals
  - [Grantee/User Manual](#)
  - [Internal User Manual](#)

# APPLICATION INITIATION



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- SECTION I:** General Information
  - SECTION II:** Project Identification
  - SECTION III:** Site Information
  - SECTION IV:** Development Information
  - SECTION V:** Project Schedule
  - SECTION VII:** Development Financing
  - SECTION VIII:** Operations & Asset Management
  - CERTIFICATION SHEETS**
  - BUDGET**

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- **APPLICATION INFORMATION**
    - Information
    - Municipal Category
    - Sample Municipal Resolution of Support
  - **MUNICIPAL WORKSHEET**
    - Municipal Information & Support Information

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## SECTION I: GENERAL INFORMATION

- **FUNDING POOL**
  - Municipal Settlement, Neighborhood Partnership or Innovation
- **PROJECT LOCATION**
- **PROJECT DESCRIPTION**
- **TYPE OF DEVELOPMENT**
- **TYPE OF UNITS**
  - Includes 50/50 Low-Mod Split
- **DEVELOPMENT AMENITIES**
- **TARGET POPULATION**
- **MARKET & COMMUNITY SUPPORT**
- **SPECIAL NEEDS SERVICES**

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## SECTION II: PROJECT IDENTIFICATION

- **SITE DESCRIPTION**
  - Site survey
  - Community map
- **SITE CONTROL**
- **SITE CONDITIONS**
  - Availability of utilities  
(will serve letters)
  - Local tax rates/water & sewer fees/connection fees
  - Soil conditions (where applicable)
  - Environmental Review
- **ZONING & PLANNING**
  - Engineered site plans
  - Zoning Verification
  - Planning Confirmation
- **PLANS & SPECIFICATIONS**
  - Architectural plans
  - Specs/Work Write-up

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## SECTION III: SITE INFORMATION

- **SPONSOR INFORMATION**
  - Description of housing experience (capacity)
- **OWNER INFORMATION**
  - Articles of Incorporation, By-Laws, Certificate of Good Standing, Partnership Agreement, IRS 501(c)3 Status, etc.
- **DEVELOPMENT TEAM**
  - Development Consultant, Attorney, Accountant, Architect, Engineer, Builder/Contractor, Management Entity, Service Provider, Other

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## SECTION IV: DEVELOPMENT INFORMATION

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- **PROJECT SCHEDULE**
    - Site
    - Construction Financing
    - Permanent Financing
    - Grants/Subsidies
    - Ownership/Entity Information
    - Construction/Rehabilitation
    - Marketing/Rent-up/Sales
    - Compliance with Federal Laws

- **CONSTRUCTION SOURCES**
  - Construction Loan Commitment (source, interest rate & amount)
  - AHTF, RCA, FHLB, HOME, CDBG, Developer Fee, Other
- **RANGE OF AFFORDABILITY (ROA)**
  - Per unit type
- **RENTALS ONLY: PROJECT PROFORMA**
  - Operating proforma
- **PROJECT SOURCES (ALL)**
  - Construction & Permanent

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- **MARKETING & MANAGEMENT PLANS**
    - Property Management Plans
    - Affirmative Marketing Plan
    - Resumes/Relevant Experience
  - **PROJECT UNIT BREAKDOWN**



- **TERMS & CONDITIONS**
  - Good standing with Federal and State debt
  - No direct personal/monetary benefit to organization's governing body members
  - SAM is valid & current
  - Audits
  - Board of Directors List
- **CERTIFICATION REGARDING DEBARMENT & SUSPENSION**
- **CERTIFICATION REGARDING LOBBYING**
- **RESOLUTION OF SUPPORT OF BOARD**
- **IRS DETERMINATION**
- **ORGANIZATION CHART**

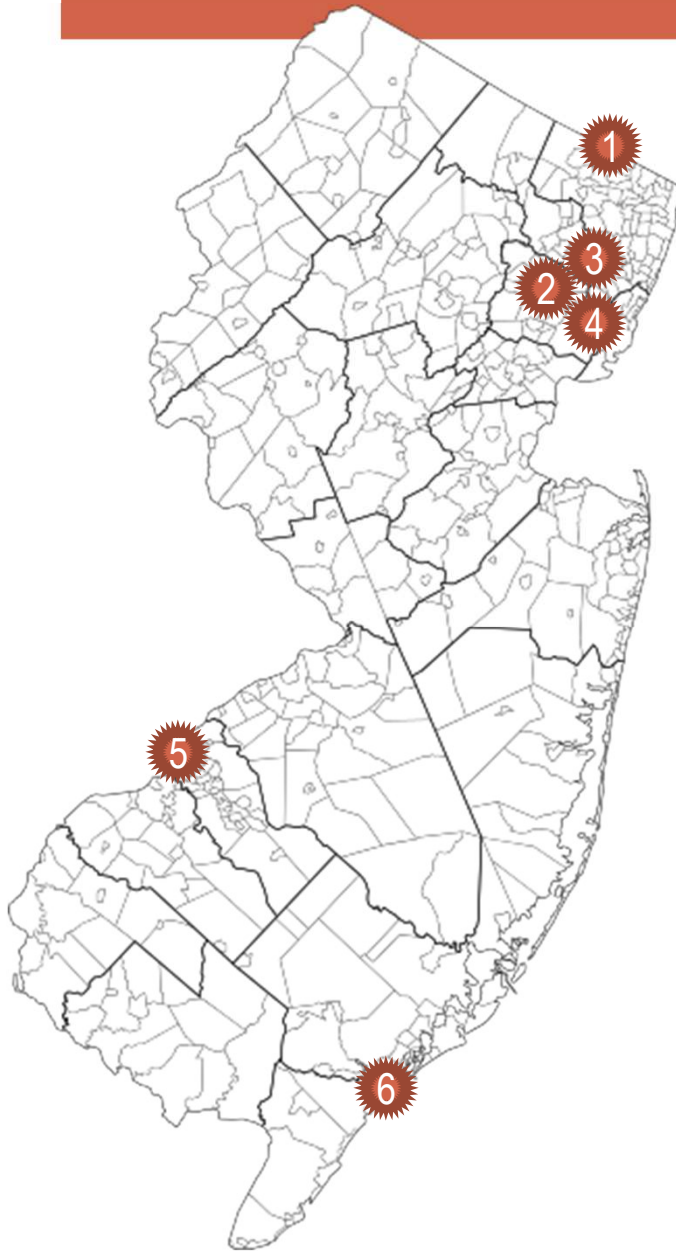
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## CERTIFICATIONS

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- **BUDGET SUMMARY**
  - **BUDGET DETAIL & ITEMS**

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BUDGET



## **1. Montvale Family Apartments**

25 Rental Units in Montvale, NJ

## **2. Paterson Habitat for Humanity**

13 Homeownership Units in Paterson, NJ

## **3. Wayne Avenue Apartments**

4 Rental Units in Paterson, NJ

## **4. Mill Street Apartments**

3 Rental Units in Paterson, NJ

## **5. Parkside Homes**

10 Homeownership Units in Camden, NJ

## **6. Ocean City Scattered Site**

10 Rental Units in Ocean City, NJ

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PROJECTS FUNDED - MSF & NPF



## 1. HCDNNJ

**NJ RENT:** support for renters impacted by financial disparities most recently exacerbated by the COVID-19 pandemic, by providing outreach, awareness, housing counseling and support service information.

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PROJECTS FUNDED - IF

- **PRE-APPLICATIONS**
  - **58** Pre-applications (MSF & NPF)
  - **6** Pre-applications (IF)
- **AWARDED**
  - **Six (6) Projects** totaling **65 Units** (23 For Sale and 42 Rentals)
- **ANTICIPATED AWARDS (STAFF REVIEW COMPLETE)**
  - **Four (4) Projects** totaling **82 Units** (22 For Sale and 60 Rentals)
- **RECENT SUBMISSION (UNDER REVIEW)**
  - **Four (4) Projects** totaling **99 Units** (74 For Sale and 25 Rentals)

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STATS AS OF SEPTEMBER 2021



## **PRE-APPLICATION**

Prior to opening an application in SAGE, the Division recommends completing a Pre-Application. Upon receipt of the Pre-Application staff will schedule a one-on-one technical assistance meeting to discuss your project in more detail. For a Pre-Application, see link below:

[https://www.nj.gov/dca/divisions/dhcr/offices/docs/AHTF\\_Pre\\_Application.pdf](https://www.nj.gov/dca/divisions/dhcr/offices/docs/AHTF_Pre_Application.pdf)

## **AHTF GUIDELINES**

[https://www.nj.gov/dca/divisions/dhcr/offices/docs/AHTF\\_Program\\_Guidelines.pdf](https://www.nj.gov/dca/divisions/dhcr/offices/docs/AHTF_Program_Guidelines.pdf)

## **BALANCED HOUSING REGULATIONS**


<https://www.nj.gov/dca/divisions/dhcr/offices/docs/bh/bhrulesfinal121107.pdf>

## **UNIFORM HOUSING AFFORDABILITY CONTROLS**

<https://www.nj.gov/dca/divisions/lps/hss/uhac.html>

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## RESOURCES



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CONTACT INFORMATION



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QUESTIONS