



Housing & Community Development Programs Background Information

CHOICE: CHOICE is the HMFA's comprehensive financing program for the development of newly constructed and substantially rehabilitated homeownership (owner-occupied primary residence) housing in New Jersey. The program features below-market interest rate construction loans and construction subsidy funding for developers as well as favorable end loan financing for eligible homebuyers. CHOICE is intended to be a catalyst for the creation of viable homeownership markets in municipalities where home values currently do not support a sustainable new construction housing market. CHOICE is also intended to assist with the creation of resale-restricted affordable homeownership housing in municipalities that have viable homeownership markets overall but have included affordable housing in their redevelopment area plans.

Special Needs Housing Trust Fund: As of the NJHMFA has suspended the intake of applications for the Special Needs Housing Trust Fund program. Since its inception in 2005, the pipeline of projects has met the goal of providing 200,000,000 in Trust Fund financing.

State Rental Assistance Program (SRAP): The State Rental Assistance Program provides tenant-based and project-based rental assistance grants, comparable to the Federal Housing Choice Voucher Program and shall be terminated upon the award of a Federal subsidy to the same individual or household.

New Jersey Affordable Housing Trust Fund/Balanced Housing Program: This fund supports repairs and renovations of existing housing, as well as the construction and conversions of new homes. Balanced Housing developments can be either for sale or rent, but all must be affordable to low- and moderate-income households.

Home Express Program: Streamlined approach to developers applying for both federal Low Income Tax Credits and DCA AHTF/Balanced Housing Program funds. Prior to the implementation of Home Express, municipalities had to apply to DCA for Balanced Housing funds on behalf of the developer, with the developer applying directly to the HMFA for tax credits and bond financing. Developers can now make one application to HMFA for all three funding sources.

Neighborhood Revitalization Tax Credit Program (NRTC): The Neighborhood Revitalization Tax Credit Program provides business entities a 100% tax credit for funds provided to nonprofit entities carrying out comprehensive revitalization plans. Nonprofit entities must use at least 60% of the tax credit funds for housing and economic development; the remaining funds may be used for supportive services.

Municipal Land Acquisition Program (MLA): A program implemented by DCA through the Balanced Housing Program. Provides funds to eligible municipalities for acquisition of land and/or property for the construction of affordable homes. Affordable homes may be developed and/or owned by the municipality or by an agent of the municipality or the municipality may select a developer to build the affordable homes. The MLA program provides up to \$6 million to eligible municipalities for acquisition of land and/or property for the construction of these homes. The program is a valuable tool for municipalities to meet their fair share housing obligations before suitable land is lost to market rate development.



Deep Subsidy Program: Balanced Housing Deep Subsidy Program provides developers with capital above the Balanced Housing per unit subsidy to buy down the cost of producing additional rental and for-sale units for low-income individuals and families. The target population is at an income level less than 30% of area median income. The goal of the program is to increase the number of homes built for lower income families.

The Shelter Support and Emergency Housing Grant: Provides funds to renovate and improve existing homeless shelters and transitional homes, and pay certain social services and operating costs.

Homeless Prevention: Provides limited financial assistance to low- and moderate-income tenants and homeowners in imminent danger of eviction or foreclosure due to temporary financial problems beyond their control. Funds are used to disburse payments in the forms of loans and grants to landlords and mortgage companies on behalf of eligible households in danger of homelessness.

Office of Housing Advocacy (OHA) Performance Grants to Nonprofits: Provided operating support for nonprofit organizations developing affordable homes. Continuation grants were based on grantee agencies' performance. This program was eliminated in 2010.