

## **DETAILED PROGRAM LIST**

### **At Home Downtown Program**

This HMFA program allows for below market-rate mortgages to fund the acquisition and rehabilitation; the refinance and rehabilitation; or the construction of a residential structure with a storefront. The program objective is to assist small business owners in reviving the mercantile and housing potential of main street and neighborhood commercial areas. There are no income restrictions, and the program is available to owner occupants and small investors. Projects are limited to 1-3 apartments plus the commercial unit for a total of up to 4 units.

### **Camden Economic Recovery Board (ERB)**

The Municipal Rehabilitation and Recovery Act was signed into law in 2002 as a comprehensive redevelopment strategy to enable eligible cities to achieve economic growth and self-sufficiency. The act lays out a plan for reorganizing government operations and for making substantial investments in infrastructure improvements and development projects that will improve the quality of life and economic opportunities for residents. Camden was certified as an eligible municipality and the state authorized \$175 million to be used throughout the city for specified housing and economic development and redevelopment purposes and specific projects. The Camden ERB is responsible for administering those funds. Projects are dedicated to neighborhood revitalization, downtown redevelopment, planning and higher education and health care.

### **CDBG Small Cities Program**

This program, administered by DCA, assists eligible municipalities and counties meet pressing development needs and address emergency conditions that cannot be assisted by other programs. Goals include increasing the supply of safe, decent, and affordable housing; restoring basic infrastructure in low-income areas; increasing employment opportunities; and supporting neighborhood revitalization efforts.

### **Check Metering Pilot Program**

Check Metering is a pilot program with the Board of Public Utilities to convert HMFA-financed multifamily rental developments that are master-metered to check metering. Check metering, also known as sub-metering, allows the tenant to control and pay for only the energy they actually use, rather than a pro-rata portion of the entire building's usage, which has been proven to equate to significant energy savings.

### **City Living (Urban Market Rate Rental Housing Subsidy Loan Program)**

The City Living Program is a low-interest rate, secondary mortgage loan program used in conjunction with an HMFA first mortgage, to assist in the production of market-rate rental housing in emerging markets. The Program provides per unit subsidies on market-rate projects. Increased subsidies are permitted when an affordable set-aside is elected.

### **Community Housing Rental Production Program (CHP)**

The CHP is a category of programs under the HMFA Community Housing Demonstration Programs, to assist project sponsors by providing low-interest financing as well as gap financing for the Special Needs Housing Tax Credit program cycle. The Community Housing Program has funding set aside to serve clients of the Divisions of Developmental Disabilities (DDD), Mental Health Services (DMHS), Office of Children's Services, Division of Youth and Family Services (DYFS) and the Commission for the Blind and Visually Impaired (CBVI).

### **Community Services Block Grant Program (CSBG)**

This program, administered by DCA, provides federal funds to Community Action Agencies throughout the state. The funding is utilized to support the operation and delivery of services to low-income families throughout the state. The types of programs provided to individuals and families include literacy education, information and referral services, childcare assistance, housing assistance, emergency services, and other social service programs.

### **Continuum of Care (CoC) Assistance**

A Continuum of Care system is a community based coordinated effort by all homeless service providers to address and eradicate homelessness within their community, based on the understanding that the underlying causes extend beyond the need for shelter. HMFA is leading the effort to help the 19 countywide CoCs coordinate their applications for federal assistance and share best practices across jurisdictions. In 2005, the agency's efforts brought a total of \$31 million into New Jersey, \$5 million above the HUD allotted share for the State. The CoC is important because it fosters collaboration among service providers and municipalities who have traditionally worked autonomously to solve the problem of homelessness. In addition, the CoC is the only vehicle by which a community can apply and compete for HUD administered McKinney-Vento Funds for Supportive Housing, Shelter Plus Care and Single Room Occupancy Programs.

### **Deep Subsidy Program**

The program, which is a sub-program under Home Express, allows a rental project to reduce some of its rents, making them affordable to very low-income tenants. Through this program, developers are able to provide housing for very low-income families, households earning less than 30 to 35% of the area median income, while ensuring that the project stays financially viable. DCA has set aside \$10 million of its Balanced Housing funds to support the Deep Subsidy program. It is available to eligible projects having a total of ten or more affordable units of which at least one unit is affordable to a very low-income household. This funding can be combined with other affordable housing subsidy programs.

### **Downtown Business Improvement Zone Loan Fund**

In connection with the Special Improvement Districts (SID) Grant program, DCA developed this complementary loan fund. DCA has provided 12 loans totaling \$3.8 million to enable SIDs to implement, in partnership with municipal government, physical improvements to the downtown's infrastructure. These loan investments have been utilized primarily to make streetscape and parking enhancements.

### **Emergency Shelter Grant (ESG)**

This DCA program is under the umbrella of the Shelter Support Program, and provides funds to non-profit organizations and local governments to renovate and construct homeless shelters and transitional housing facilities. Funding awards have been used for capital improvements, such as code correction, minor and major rehabilitations and site acquisition. The ESG grants included awards to domestic violence agencies. These agencies used the funds for a range of projects, including adding new beds and correcting code and life-safety violations.

### **Employer Assisted Housing/HOPE**

The HOPE Program is a mortgage loan program, administered by HMFA, in which the borrower's employer guarantees 20% of the employee's (borrower's) mortgage loan. The program offers zero down payment, below-market fixed rate mortgages to eligible employees, as defined by the employer, without the need for private mortgage insurance. The employer's guarantee remains in effect for 5 years. If the employee leaves the company the employer is required to maintain the guarantee for 2 years after the termination date, but in no event for more than 5 years total if the loan remains current. The employer may submit a plan designating the criteria for employee participation. The employee may be eligible to borrow up to 100% of the property's appraised value, which in some cases may allow the borrower to amortize usual and reasonable closing costs.

### **Energy Star Requirement**

Participation in New Jersey's Energy Star Homes Program is now required for a number of state housing programs, including the LIHTC program and DCA's Balanced Housing Program. A project meeting Energy Star standards will use 30 percent less energy for heating, cooling and hot water heating than a facility meeting the standards of the 1995 Model Energy Code. The Board of Public Utilities Office of Clean Energy offers numerous initiatives in partnership with Energy Star, including discounted lighting products, air conditioner rebates.

### **Environmental Equity Program (E<sup>2</sup>P)**

The New Jersey Redevelopment Authority's Environmental Equity Program (E<sup>2</sup>P) provides the up-front capital to assist with site acquisition, remediation and demolition costs of redeveloping contaminated brownfields properties in New Jersey's urban areas.

### **Equity Social Investment Program**

The Equity Social Investment Program was created for the purpose of making "social investments" in housing and housing-related projects that further the purposes of HMFA. The investments are generally made in the early stages of significant redevelopment projects. HMFA has allocated \$10 million to this effort. An example of a social investment would be the financing of the conversion of office space to residential apartments to assist in the revitalization of a downtown area.

### **Family Self-Sufficiency (FSS) Program**

This DCA program assists families that are receiving housing assistance under the Housing Choice Voucher Program by helping them become self-sufficient and self-reliant through the implementation of a jointly developed action plan between the participant and the housing agency. Families participate in a series of job training, career counseling and education and social service programs. As the participants' income increases, the rental subsidy decreases, and the amount of the subsidy that the program would have paid on behalf of the family is deposited in an escrow savings account. FSS funds can be used for programs that include, but are not limited to, job training and education, home ownership, business skills and entrepreneurial training.

### **Green Homes Office**

Situated within DCA's Division of Housing, the New Jersey Green Homes Office (GHO) has inspired design and construction professionals across the state to "go green." Through advocacy, education, technical assistance and financial assistance programs, the GHO works with developers to produce high quality, high standard affordable housing that meets the definition of "green," by being resource efficient and environmentally healthy. The GHO utilizes the most advanced and proven green and high performance building technologies, in combination with traditional building science principles, to help construct buildings that are more energy and resource efficient, have higher indoor air quality standards and employ recycled and recyclable materials.

### **HAS Foreclosure Prevention Program**

Deed restrictions on many affordable units, mostly those considered 95/5 home ownership units, expire in the event of a foreclosure on the property. This HMFA program will create a revolving loan fund to allow HAS municipalities or HMFA to buy a deed restricted 95/5 unit that is being foreclosed on and retain the deed restriction on the unit.

### **HOME – CHDO Housing Production Program**

The program is identical to DCA's HOME Housing Production program (see below) except that the only eligible applicants are non-profit, housing development organizations that meet the Federal definition of a Community Housing Development Organization (CHDO). A minimum percentage of the Board of Directors of a CHDO must be either low-income individuals, reside in a low-income census tract or represent a low-income constituency.

### **HOME – Housing Production Program**

These federal funds are administered by DCA and provide non-interest bearing, interest bearing and deferred loans to for-profit and non-profit developers for the purpose of creating affordable housing throughout the state. Funds are targeted to: applications for the Balanced Housing program that are feasible, but for which state funds are not available; applications from developers in municipalities where there is a demonstrated need for affordable housing, but that are not eligible for Balanced Housing funds; and areas where there is demonstrated need for affordable housing and other sources of federal funds, such as HOME and Community Development Block Grants, are not available from the local jurisdiction.

### **HOME – Tenant-Based Rental Assistance**

This DCA program helps reduce the housing costs of very low-income households by providing direct rent subsidy payments to their landlords. Assistance is provided to participants for a period of up to 24 months.

### **Homebuyer Mortgage Program**

The HMFA Homebuyer Mortgage Program, designed for low- and moderate-income households, provides first-time home buyers and urban area home buyers with below market, fixed-interest rate 30-year mortgages. Under the 100% Financing Program, no down payment or mortgage insurance is required. In the past four years the program has served households in close to 500 municipalities throughout the state. This financing may be combined with HMFA's Smart Start Down Payment/Closing Cost Assistance Program.

### **HomeExpress**

HomeExpress was created to offer a streamlined approach to developers applying for both federal Low Income Housing Tax Credits and the Department of Community Affairs' Balanced Housing Program Funds. Prior to the implementation of this program, municipalities had to apply to DCA for Balanced Housing funds on behalf of the developer with the developer following a separate path and apply to HMFA for tax credits and bond financing. This program allows the developer to make one application to HMFA for all three funding sources.

### **Homeless Management Information System (HMIS)**

HMFA is leading a state and local collaborative to implement a state administered Homeless Management Information System (HMIS) meeting federal Department of Housing and Urban Development (HUD) specifications for tracking, reporting and analyzing homelessness information in New Jersey. Implementation of HMIS is required by HUD for all Continua of Care (CoC) and service providers to receive HUD McKinney-Vento Homeless Assistance. Local CoCs use the system to meet HUD reporting requirements and the Statewide Collaborative uses aggregated data from HMIS to establish baseline data on homelessness for planning and to assess resource utilization. It is the goal of the State HMIS partners (HMFA, DCA and DHS) to use HMIS to move towards performance based contracting for homeless programs. Over 150 individual agencies are currently enrolled.

### **Homeless Supported Housing Program**

This HMFA program set aside up to \$1.5 million as a demonstration program to enable eligible organizations to develop new units of permanent supportive housing for homeless persons and persons with disabilities by providing matching or gap financing. The program is specifically intended to promote the leveraging of non-state financial resources to increase funding for permanent rental housing for homeless families and individuals in New Jersey.

### **Homelessness Prevention Program**

This DCA program provides financial assistance to low- and moderate-income tenants and homeowners who are in imminent danger of eviction or foreclosure due to temporary financial problems beyond their control.

### **HOPE VI**

This federal program is intended to foster innovative and comprehensive approaches that address poverty in public housing. Typically a project includes demolishing high-density, dilapidated public housing and building new housing throughout the neighborhood that features different housing types for a mix of incomes. The state supports HOPE VI development by matching state funds to the federal funds to make projects feasible.

### **Housing Affordability Service (HAS)**

HAS was developed for the long-term administration and monitoring of nearly 5,000 affordable housing units created under DCA and HMFA or created under the Fair Housing Act. HMFA took over HAS in 2005 and has created a market-based program offering choice, ease of access, and a range of services to its municipal clients, developers, property managers, and consumers searching for affordable housing units. The municipalities and developers that are served by HAS are offered many benefits including annual monitoring report preparation, technical assistance, and special Housing Resource Center (HRC) features not available to other administrative agents. Residents needing affordable housing are helped by the agency's extensive property management and mortgage experience and knowledge base. HAS at HMFA is implementing new and innovative ways of servicing affordable housing in New Jersey.

### **Housing Choice Voucher Program (typically referred to as the Section 8 Rental Program)**

This DCA-administered program assists very low-income families, the elderly and the disabled to afford decent, safe and sanitary housing and to obtain housing in lower poverty areas. A housing subsidy representing the difference between the actual rent and what the renter can afford is paid to the landlord directly on behalf of the participating family. Renters pay approximately 30 percent of their income. Rental units must meet minimum housing quality standards.

### **Housing Counseling**

The Public Housing Authority (PHA) Section 8 counseling program enables PHAs to provide HUD required Section 8 Home Choice Voucher counseling, in accordance with HUD program rules and HMFA's curriculum requirements, for their tenants who choose to become homeowners. Counseling is provided by HUD certified counseling agencies that have satisfied the HMFA qualification and program requirements and have agreed to provide services for a set fee. Counseling starts in "classes" consisting of 20 to 30 households. Initial sessions totaling at least 8 hours are provided in a group setting. After that, the counseling is one-on-one, and the counselors are committed to working with each individual for a period of at least one year. Most counseling agencies will work with a household through the purchase of a home regardless of the time frame.

HMFA also employs the services of approved HUD certified counseling agencies for home ownership counseling for its 100% Financing Program, Equity 24, default and delinquency counseling and special needs counseling.

### **Housing Opportunities for Persons with AIDS (HOPWA)**

This program provides tenant-based rental assistance to persons with HIV/AIDS and their families. The funding is distributed to participating jurisdictions and more than 220 families and individuals are assisted on a continuing basis. DCA administers the HOPWA program on behalf of the New Jersey Department of Health and Senior Services (DHSS) with federal HUD funds that are provided annually through a formula allocation.

### **HUD Section 811 Bridge Loan Program**

This HMFA program is available to recipients of a US Department of Housing and Urban Development (HUD) Fund Reservation Capital Advance award to develop 811 Supportive Housing Projects for persons with disabilities. The program provides bridge loan financing to secure and/or retain site control prior to closing on a Section 811 loan. The HUD 811 Program has funding set aside to serve clients of the Divisions of Developmental Disabilities and Mental Health Services.

### **Individual Development Accounts (IDA)**

The Individual Development Account (IDA) Program assists low-income families to build long-term productive assets by providing a one-dollar match for every dollar saved in an IDA savings account up to \$4,500 over a three-year period. The participant's accumulated funds may be used to purchase a house, start a business or continue higher education. The IDA Program is managed by DCA and administered by nine local community-based organizations. These organizations counsel participants in their money management/financial skill development, control their match funds and authorize the withdrawal of their money.

### **Lead Interventions for Children-At-Risk Program (LICAR)**

This DCA program is a grouping of initiatives designed to meet the goal of eliminating childhood lead poisoning in New Jersey by 2010. The LICAR Program strategy, through partnerships with municipalities, local boards of health and community based organizations, focuses resources from multiple sources. These financial resources are utilized to fund efforts which can be divided into two basic strategies or approaches: primary prevention efforts which include any effort to prevent lead-based paint poisoning; and responsive efforts to abate lead hazards in residences where children have been lead poisoned.

### **Lead-Based Paint Hazard Control Program**

The DCA program is a comprehensive initiative to eliminate lead hazards in residential housing by providing loans to single and multi-family homeowners across the state for lead hazard control work; relocate families with lead-poisoned children to lead safe housing; create and maintain a lead registry to easily identify lead-safe housing; increase public awareness about the dangers of lead-based paint and provide opportunities for training in lead-related disciplines.

### **Limited Dividend-Non-profit Housing Corporations**

The Limited Dividend-Non-profit Housing Corporations or Associations Law (P.L. 1949, c. 184) gave the Public Housing and Development Authority (PHDA) the authority to approve non-profit and limited dividend housing sponsors so that their projects would be eligible for property tax abatement. When the Department of Community Affairs was formed in 1966, it assumed the powers and duties of the PHDA. The powers include the authority to approve or disapprove the transfer and financing of projects owned by housing sponsors subject to the act and to approve or disapprove rent increases in those projects. The Division of Codes and Standards exercises this authority on behalf of the Commissioner, but delegates it to Federal and State agencies that finance affordable housing in those projects that they regulate. The authority exercised under this law gained increased significance when Federal housing laws and rules were changed so as to allow housing sponsors prepaying their HUD mortgages the choice of either accepting incentives to maintain affordability or going to market rent. However, housing sponsors organized under this law do not have the option of going to market rent unless they can satisfy both the municipality and the Department of Community Affairs that there is no longer a need for affordable housing in the municipality, which they are highly unlikely to be able to do. Therefore, their only option is to accept HUD incentives, thus preserving the affordability of the projects.

### **Low Income Housing Tax Credit (LIHTC) Program**

Under the Federal Tax Reform Act of 1986, the Low Income Housing Tax Credit Program was established as an incentive for investment in the construction and rehabilitation of low-income rental housing. States are allocated the credits on an annual per capita basis. As the designated housing credit agency for New Jersey, HMFA is responsible for the annual allocation of credits to qualified applicants and the monitoring of projects for compliance with the Internal Revenue Code.

The tax credits provide a dollar-for-dollar reduction in federal tax liability and acts as a catalyst to attract private investment into the affordable housing market. The additional capital mitigates the debt burden incurred in the construction and rehabilitation development process. Once credits are allocated, the project must maintain continuous compliance with the program for a minimum of 15 years.

The 9% tax credits are distributed on a competitive basis, and to ensure that selected projects are consistent with state policies, applicants can take advantage of points and set-asides. Projects receive extra points if they are located in Smart Growth areas; participate in the NJ Affordable Green program or the HMFA SUNLIT program; are pedestrian friendly; include on-site amenities; or take advantage of existing development through historic preservation, brownfields redevelopment or adaptive re-use. The LIHTC program has also created certain set-asides for the rehabilitation of existing, currently occupied affordable housing projects at risk of losing their affordability controls; mixed-income projects; and HOPE VI projects.

#### **Main Street Program**

Main Street New Jersey (MSNJ) is a nationally recognized professional revitalization program based in DCA's Division of Community Resources that provides communities with the skills and knowledge to manage their downtown communities and create mixed-use 24-hour environments. The effort aims to improve the local economy, appearance, and image of traditional downtowns, by organizing the business community, local citizens and resources. DCA also holds the Downtown Revitalization Institute, a training session for municipal and community officials and stakeholders interested in implementing Main Street concepts in their communities.

#### **Market-Oriented Neighborhood Investment (MONI)**

The MONI Program was developed to provide construction loans to developers of home ownership housing units in designated urban areas, in order to encourage a mix of low, moderate and market home ownership opportunities. HMFA provides the funding for 50% of the construction loan with an outside lender providing the remaining 50%. MONI also provides gap funding in areas where sales prices are not adequate to cover development costs. Subsidies are available for both affordable and subsidized market for-sale units. The program may be combined with the 100% Financing Program that provides no-down payment mortgage loans.

#### **Micro-Load Pilot Program**

A major factor in housing affordability is the cost of energy. This project aims to utilize high performance design principles and passive and active solar strategies to construct 25 housing units, which will have a near net-zero use of fossil fuels, nearly eliminating the tenant's cost of electricity. DCA, with the assistance of nationally recognized experts, will demonstrate that zero energy principles can apply to affordable urban residences within DCA price, quality and code requirements. The resulting designs and constructed residences will be highly replicable models for urban housing throughout the coastal Mid-Atlantic climatic region.

### **Multifamily 80:20 Program**

The 80:20 Program, administered by HMFA, provides tax-exempt construction and permanent loan financing for mixed income projects that contains either 20 percent of the units affordable to households below 50 percent of the median income, or 40 percent of the units affordable to households below 60 percent of the median income. Direct financial subsidy is available for all meeting the affordable housing definition. A typical project will contain 80 percent market rate units and 20 percent affordable units.

### **Multifamily Energy Retrofit Program**

HMFA is currently developing a program that assists existing affordable multifamily development owners with improving the energy efficiency of their developments by assessing a whole building analysis of energy reduction opportunities and integrating the recommended measures of this assessment with other capital needs improvements. Each development will be guided through their individualized program whereby rebates, incentives, and potential financing will be packaged to allow the owner to make the necessary improvements.

### **Multifamily Housing Preservation and Receivership Act**

This Act preserves multifamily housing by preventing deterioration and abandonment. The Act sets aside \$4 million from the Neighborhood Preservation Non-lapsing Revolving Fund to establish a Preservation Loan Revolving Fund. The fund provides operating grants to non-profit entities and builds their capacity to serve as receivers, and makes grants or loans to receivers to implement plans for the operation and maintenance of property in receivership.

### **Multifamily Housing Preservation Financing**

The program provides funding for the preservation of affordable housing units in HMFA-financed projects, other affordable units which would be lost to the market, and existing affordable units in need of substantial repair. The Program provides for the acquisition, rehabilitation and repair of existing units and can be used to refinance an existing mortgage.

### **Multifamily Rental Housing Program**

HMFA's Multifamily Rental Housing Program provides low-interest financing for construction and/or permanent mortgage loans. The funding source is through the sale of tax-exempt and taxable mortgage revenue bonds. The financing is available for the construction, rehabilitation, or preservation of multifamily rental housing projects in which at least a portion of the units are affordable to low-and moderate-income families and individuals.

### **Municipal Land Acquisition (MLA) Program**

This DCA program will provide funds to eligible municipalities for acquisition of land and/or property for the construction of affordable housing. Affordable housing 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 housing.

### **Neighborhood Preservation Balanced Housing**

DCA receives funds from New Jersey's realty transfer tax to assist municipalities in the creation of affordable housing pursuant to the state's Fair Housing Act. The Neighborhood Preservation Balanced Housing program is within the DCA Division of Housing, and has the goal of promoting the construction and preservation of permanent high quality, location efficient affordable housing that meets the demand of low- and moderate-income families.

### **Neighborhood Preservation Program**

DCA runs this neighborhood-based program that provides direct financial and technical assistance to municipalities over a three to five-year period to conduct activities that preserve "threatened but viable neighborhoods" through locally developed strategic plans. The program aims to stabilize and revitalize these neighborhoods by targeting resources for housing rehabilitation, infrastructure improvements, and social and economic activities.

### **Neighborhood Revitalization Tax Credit Planning Grant (NRTC)**

This DCA grant program was implemented in 2005 to provide financial assistance to eligible community development corporations to support the development of resident-driven Neighborhood Revitalization Tax Credit Plans. The NRTC Planning Grants are awarded to non-profits actively involved in community development and related activities within a NRTC eligible municipality.

### **Neighborhood Revitalization Tax Credit Program**

The NRTC program, administered by DCA's Division of Community Resources, is designed to foster the revitalization of New Jersey's distressed neighborhoods. The program offers business entities that invest in the revitalization of low- and moderate-income neighborhoods a 50 percent tax credit against certain New Jersey state taxes. Sixty percent of the tax credit funds must be used for activities related to the development of housing and economic development. The remaining balance may be used for complementary activities such as providing assistance to small businesses, removing barriers to self-sufficiency and promoting the integration of mixed-income neighborhoods.

### **New Jersey Affordable Green Program**

Working within DCA's affordable housing production subsidy program, and offering a per unit funding subsidy via the Neighborhood Preservation Balanced Housing program, the Green Homes Office has integrated high performance and green technologies in over 2,400 home ownership and rental units. The New Jersey Affordable Green program has won numerous national awards and is a national leader in green affordable housing development. The success of the program has played an essential role in current efforts to coordinate the implementation of Balanced Housing rules requiring all affordable units developed in the state meet minimum green criteria, the first statewide rule of its kind in the country.

### **New Jersey Historic Trust**

The Trust, located within DCA, provides matching grants of \$5,000 to \$750,000 for preservation planning and capital projects to repair, restore and rehabilitate historic properties, including those in heritage neighborhoods. The grant recipient must be a certified non-profit or governmental entity that has ownership or leases the property to be assisted. Awards are made through annual grant rounds. The Historic Trust has funded the rehabilitation of historic structures for new uses within the State's many historic, urban communities.

### **New Jersey Housing Resource Center (HRC)**

The HRC is a free, online registry of affordable and accessible housing units available throughout New Jersey. It is free to both users searching for housing, and landlords and property owners posting available units. In addition to a continuously updated and searchable housing registry with mapping features, the HRC contains an information and links section that serves the housing continuum from renters to home buyers, landlords to developers. HMFA, DCA, and the Department of Human Services are partners in this initiative. Since its inception in mid-2005, there have been over 2 million public searches conducted. Visit the HRC online at [www.njhousing.gov](http://www.njhousing.gov).

### **New Jersey Urban Site Acquisition Program (NJUSA)**

The NJUSA Program is a \$25 million revolving loan fund that facilitates the acquisition, site preparation and redevelopment of properties, which are components of an urban redevelopment plan in NJRA eligible communities. NJUSA serves as a catalyst to jump start urban revitalization efforts. The Program provides for-profit and non-profit developers and units of government with a form of bridge financing to acquire title to property and to provide the capital needed until a construction loan closes.

### **NJRA Bond Financing**

The NJRA sells bonds to raise capital for making long-term loans at attractive, below-market interest rates to a broad range of qualified businesses and not-for-profit organizations. The NJRA has the ability to issue \$100 million of taxable and tax-exempt bonds annually to stimulate revitalization in New Jersey's urban areas. Proceeds from tax-exempt bonds may be used for land and building acquisition, new construction or expansion, purchase of new equipment and machinery and debt/refinancing and working capital.

### **NJRA Planning Loans**

NJRA, as a state redevelopment financing agency, provides planning assistance for specific projects located within designated redevelopment areas. This flexible financing allows municipalities to develop project-specific plans to attract development opportunities to Smart Growth areas.

### **Office of Housing Advocacy (OHA) Non-Profit Grant Program**

This DCA program enhances the capabilities of non-profits to expand their roles as affordable housing providers and to increase their housing production. Each grantee is provided base level funding; each has an opportunity to earn additional bonus funds based on production. In recognition of the increased costs to attract and retain qualified staff, the base grant was increased to \$60,000 in FY '06. Grantees may earn up to \$80,000 in bonuses through increases in their production of housing units. As they build more affordable housing, their total grant amount increases.

### **Police & Fire Retirement System Mortgage Program**

The Police and Fire Mortgage Program, administered by HMFA, provides home mortgages for either the purchase of a new home (first-time or trade-up) or the refinancing of an existing home. Borrowers must be active members of the New Jersey Police and Firemen's Retirement System (PFRS) with at least one-year of creditable service. Funding is provided by the PFRS pension fund. The interest rate is set at 1% over the 10-year treasury rate.

### **Potable Water Loan Program**

This HMFA program provides zero-percent-interest loans of up to \$10,000, in the form of a second mortgage, to homeowners residing in single-family residences where the drinking water violates DEP primary drinking water standards for sodium, chloride, lead, mercury, iron, and manganese or is contaminated by agricultural activity. The loan proceeds may be used for well treatment, repair, or municipal water hook-up. The borrower may take up to ten years to repay the loan.

### **Predevelopment Loan and Acquisition for Non-profit (PLAN) Fund**

Created in 2004, this revolving loan fund is administered by a private fund manager, funded by public and private investments and supported by a partial HMFA guarantee. The loan pool will ultimately be capitalized at \$10 million and will revolve regularly. The fund is for non-profit housing developers with established production track records to be used for acquisition and predevelopment expenses.

### **Project-Based Housing Choice Voucher Program**

This program will provide stability in the lives of eligible households that include families supported by the Department of Children and Families' DYFS, working poor, elderly and special needs households through the creation of permanent housing. DCA will dedicate SRAP vouchers to project-based assistance over the next several years. DCA's Division of Housing will enter into a contract with building owners and/or developers to ensure that these units remain available to low-income households.

### **Public Housing Authority Capital Funding Bond Program**

The program was created to enable HMFA to issue tax-exempt bonds on behalf of New Jersey PHAs. The payments on the bonds are secured by the PHAs' HUD Capital Fund Program allocations. These transactions enable the PHAs to accelerate the acquisition, development, modernization and repair of public housing units. Prior to this program the PHAs had to rely on an annual Capital Fund allocation to develop and maintain their units, which limited their ability to take on larger projects. This program allows PHAs access to larger amounts of funding up front which in turn provides them with the resources needed to accelerate the development of new units and repair of existing units. The PHAs repay the bonds with future allocations of their Capital Funds from HUD.

### **Purchase/Refinance Rehabilitation Program**

This HMFA program provides below market interest rate financing for the purchase and major rehabilitation of a home or the refinancing/rehabilitation of a presently owned home. As part of the rehabilitation, 75% of the home's existing external walls and interior structural framework must remain in place. At least one quarter of the loan proceeds must be used for repairs.

### **Redevelopment Investment Fund (RIF)**

The Redevelopment Investment Fund (RIF), managed by NJRA, is a revolving loan pool to be used for the purpose of making loans, loan guarantees or grants for mixed-use real estate ventures, pursuant to the NJ Urban Redevelopment Act. Through this program initiative, NJRA is able to offer flexible financing to projects located in NJ's urban communities.

### **Residential Green Policy Working Group**

DCA is chairing this group in order to facilitate intergovernmental collaboration on the matter of greening housing in New Jersey. This group is comprised of individuals with the expertise to develop a state residential green building standard, from the state and other sectors. Following the development of a state green standard, the group will design a package of incentives to encourage the use and adherence to the new standard.

### **Resource Home Grant Program**

The purpose of this DCA program is to create new resource homes, previously referred to as foster homes, expand existing resource homes to enable additional placements and to help existing homes maintain their licensure. The program was launched in July 2005.

### **Reverse Mortgage Loan Program**

HMFA offers a mortgage program which allows homeowners 62 years or older to access the equity in their homes. They can use the equity in their home as collateral and draw out money without a monthly repayment schedule. The loan amount is determined by the property value and the borrower's age. There are no restrictions on the value of the property or income restrictions. However since the Federal Housing Authority (FHA) insures the loans in this program FHA maximum mortgage loan amounts apply. The mortgage can be set up as an annuity, line of credit or lump sum payout.

### **Section 8 to Home Ownership Program**

This program helps qualified DCA Section 8 participants purchase a home using their Section 8 Housing Voucher. The vouchers are applied toward the participant's mortgage and other home ownership expenses. Free home buyer and long-term credit counseling are provided and HMFA offers mortgages with special terms for Section 8 home buyers.

### **Shelter Housing Exit (SHE) Program**

Administered by DCA, and under the auspices of the Division of Youth and Family Services (DYFS) of the Department of Children and Families, this program provides security deposits and rental assistance to victims of domestic violence and their children who are currently living in shelters or in transitional housing facilities.

### **Shelter Plus Care Program**

This DCA program provides rental assistance to homeless persons with disabilities, in collaboration with local non-profit agencies under their jurisdictional "Continuum of Care," the vehicle for homeless planning activities. DCA applies for annual renewals to HUD's Super Notice of Funding Availability (NOFA) program for federal funds to administer this program.

### **Small Rental Project Program (5-25)**

The 5-25 Program is designed to assist in the preservation and development of small rental projects by providing financing for rental projects containing between 5 and 25 apartments. In addition to the first mortgage financing, per unit subsidies are available. The HMFA financing may be used for the acquisition, preservation, and rehabilitation of existing projects or for new construction projects. Developers may choose to income-restrict or rent-restrict the units, to 80% of area median income, or a combination of both.

### **Smart Future Grants**

The Smart Future planning grant program, administered by the Office of Smart Growth, provides funds directly to municipalities and counties to support comprehensive regional planning efforts – including community design charrettes, downtown revitalization efforts, transit-oriented development plans, corridor and greyfields redevelopment planning, green building design planning, and Transfer of Development Rights (TDR) planning efforts. Towns are given higher consideration when projects are directed to smart growth areas.

### **Smart Start Program**

Smart Start is a down payment and closing costs assistance program, offered by HMFA and available to families earning less than 80 percent of area median income and purchasing homes in Smart Growth areas. The assistance is in the form of a second mortgage in an amount up to 4 percent of the first mortgage amount. The funding is available only in conjunction with HMFA's Home Buyer Program mortgage loans.

### **Special Improvement District (SID) Grants**

A SID enables downtown property owners to collect financial assessments. The receipts are used to provide specialized services such as sidewalk maintenance, graffiti removal, physical improvements, security, special events and holiday lighting, as well as marketing and business promotion. The SID Grant Program, administered by DCA, provides matching grants to municipalities, non-profit organizations and business associations to assess the feasibility of creating a SID in downtown areas.

### **Special Needs Home Ownership Program**

The Home Ownership Program has funding set aside to serve clients of the Division of Developmental Disabilities and adoptive parents/ guardians served by the Department of Children and Families. This program is the result of a partnership between HMFA and the Departments of Human Services and Children and Families.

### **Special Needs Housing Trust Fund**

The Special Needs Housing Trust Fund provides capital financing to create permanent supportive housing and community residences for individuals with special needs, with priority given to individuals with mental illness. The purpose of this \$200 million special non-lapsing, revolving fund, which is being administered by HMFA, is to develop special needs housing and residential opportunities as alternatives to institutionalization or homelessness for those who would benefit from these programs and to ensure the long-term viability of such housing. The Trust Fund provides capital financing in the form of loans, grants, and other financial vehicles and investments to eligible not-for-profit and for-profit developers as well as government entities at the state, county, and municipal levels, for special needs housing projects costs, including the acquisition of land, building(s), rehabilitation, new construction, or conversion of building(s) as permanent or trans-permanent rental apartments/units and community residences for people with special needs. Funding for rent and operating subsidies and supportive services is not available through the Trust Fund.

HMFA worked with the New Jersey Institute of Technology on guidelines to help developers create housing for special needs residents that incorporates green and sustainable design features, improves the community appearance of the facility and enhances the livability and quality of life through interior designs that are specific to the user's needs.

### **State Rental Assistance Program (SRAP)**

The State Rental Assistance Program, initially funded at \$25 million, was rolled out in May 2005 and parallels the federal Housing Choice Voucher program. Thirty percent of the allocation is reserved for senior citizens aged 65 or older, seventeen percent of the allocation is set aside for homeless families with children, thirty one percent of the allocation is set aside for applicants currently on DCA Housing Choice Voucher waiting list, and seventeen percent of the allocation is set aside for project based assistance. Further, DCA is working in conjunction with the Department of Labor to address the work requirement.

### **SUNLIT**

SUNLIT is an HMFA initiative that makes it financially and logistically feasible for LIHTC projects to install solar photovoltaic cells on their developments in order to cover the common area electric load of the building. This program is the first of its kind in the country, and couples the Board of Utilities CORE rebates for solar with the equity generated from tax credits so that affordable housing developments can realize the numerous benefits of renewable energy.

### **System for Administering Grants Electronically (SAGE)**

SAGE was created to be a single place to go to find all of the information available on the broad range of grant programs available from DCA. SAGE not only improves the ability of applicants and grantees to track the progress of their application or grant, it also significantly improves the internal capacity of DCA to manage its grant programs more efficiently.

### **Weatherization Program**

The Weatherization Program run by DCA's Division of Community Resources, works with community-based agencies to assist elderly, handicapped and low-income persons weatherize their homes to improve heating system efficiency, conserve energy and decrease utility bills. The program also provides funds to pay heating bills under emergency circumstances.

