

Smart Move Program



The Smart Move Program is a pilot program designed to help fund the development of affordable single-family housing within counties impacted by Hurricane Ida. The New Jersey Department of Community Affairs (DCA) is using Community Development Block Grant–Disaster Recovery funds from the U.S. Department of Housing and Urban Development (HUD) to fund the program.

Smart Move will be launched in two phases. During the first phase, DCA will work with local governments to fund projects that create energy-efficient, affordable homes in areas that have reduced risk from future storms. Local governments will partner with for-profit or nonprofit developers to generate a housing development proposal in application to DCA. Phase I will launch in Fall 2023.

During Phase II, DCA will provide financial assistance to eligible homeowners to purchase the Smart Move–constructed homes. Phase II will launch as projects in Phase I are nearing completion.

PHASE I: HOUSING DEVELOPMENT

Eligibility

Local governments and projects must meet certain requirements to be eligible for the Smart Move Program.

Local Government Requirements

Local governments must be located within one of the following most impacted and distressed (MID) counties: Bergen, Essex, Gloucester, Hudson, Hunterdon, Middlesex, Mercer, Morris, Passaic, Somerset, Union, and Warren.

Project Requirements:

- Project area is located outside the 500-year floodplain
- Contain at least six single-family housing units
- Be viable and financially feasible
- Be complete by January 13, 2028
- Serve mixed-income households:
 - At least 70% must be low-to moderate-income (LMI) households, which are households making 80% or less of the Area Media Income (AMI).
 - The remaining 30% may serve Urgent Need (UN) households that make up to 120% of the AMI.
- Meet elevation requirements
- Meet or exceed green and energy-efficiency standards
- Be one of the following project types:
 - New construction of single-family subdivisions
 - Infill and scattered site development
 - Adaptive reuse conversion
- Within the project types, the program will also allow for:
 - Attached or detached single-family homes
 - Innovative housing construction (examples include but are not limited to 3D-printed homes, tiny homes, and modular homes)

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Program Awards

DCA will award a maximum of \$15,000,000 per project.



Developer Incentives

Development awards will be calculated based upon parameters established by DCA in a Notice of Funding Availability. Developers will have access to zero-interest loans as an incentive to work with local governments in the Smart Move Program. Local governments will be responsible for the management and disbursement of funds to developers in accordance with the development agreement. Upon completion of the project, the loans will be forgiven.

The following types of incentives are available up to the maximum project award.

- **Unit construction:** DCA will cover a portion of the cost of building each unit (50% of the market sales price for LMI units, 33% of the market sales price for UN units). To be eligible, units must be sold to LMI or UN households.
- **Infrastructure development:** DCA may cover up to 100% of the costs associated with developing the standard public infrastructure that directly serves the housing units.
- **Land procurement:** DCA may cover up to 50% of the land acquisition costs.
- **Other incentives:** DCA may cover reasonable and necessary costs associated with the development of the housing units, including but not limited to architecture and engineering, permits, developer fees, activity delivery costs, etc.

HOW TO APPLY

DCA will begin accepting applications from local governments in Fall 2023. As part of the application process, local governments must be prepared to identify the site for the housing development, the development team, construction plans, project budget, and project schedule. For information about application requirements and how to apply, visit nj.gov/dca/ddrm/programs/ida/housing_resilient.shtml

Program Implementation

DCA will provide oversight and management of the program. Local governments will be responsible for conducting all activities associated with completing the project, including selecting a developer and entering into a development agreement.

The developer will control the site, retain ownership of the development project, and sell properties to eligible households.

PHASE II: HOMEBUYER ASSISTANCE

DCA will provide down-payment assistance to participants of the Blue Acres Buyout Program and first-time homebuyers to purchase homes that are developed as part of the Smart Move Program. Homebuyers will receive down-payment assistance based on their income level and calculated need. DCA will review applications received and select homebuyers to participate in the program.

LEARN MORE

For more information regarding the Smart Move Program, please visit the website at: nj.gov/dca/ddrm/programs/ida/housing_resilient.shtml

For questions about the program, please email SmartMove@dca.nj.gov



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