

**NJDCA AFFORDABLE HOUSING TRUST FUND (AHTF)
FY 2026 RFP GUIDE**

On **September 5, 2025**, NJDCA released the FY2026 AHTF RFP. The total amount of available funding is **\$35,000,000** and the Department anticipates funding approximately 10-20 affordable housing projects with the allocated funds. There is an additional **\$10,000,000** for **Habitat for Humanity** projects from previous budget allocation. The maximum amount of AHTF per project that can be applied for is **\$3,000,000**. Applicants will have until **October 3, 2025** to complete the application process. No applications will be accepted after **5:00 pm on October 3, 2025**. It is anticipated that funding awards will be announced on **November 7, 2025**.

If you previously submitted an application or had one in process in the SAGE system (prior to the June 3, 2025 pause), you must reapply under the FY2026 AHTF RFP. You will be able to copy your existing application forward into the FY26 RFP. As part of this RFP, a link is provided to upload all required application documents electronically ([Submit Housing Production Documents](#)). The form does not have a SAVE function so you must upload and submit all documents at one time. Please do not email documents to program staff or mail hard copy documents. A list of required application documents can be found under **Exhibit I** of this guide. **All SAGE applications and required application documents must be received by 5:00 pm October 3, 2025**. Please disregard the [NJ Affordable Housing Trust Fund Guidelines](#) pdf that appears under the FY26 application as they do not apply to this RFP.

The State is unable to answer questions while the RFP is open. Applicants can submit questions via email at AHTF@dca.nj.gov and answers to questions will be posted on the DCA Affordable Housing Trust Fund website in the form of FAQs.

All applications will undergo a threshold review process (**STEP 1**). The projects that satisfy the threshold review will then proceed to a scored review (**STEP 2**). A final list of projects ranked by score will be submitted to the Commissioner who will have final determination of which projects will receive AHTF funding.

STEP 1: THRESHOLD REVIEW

All applications will undergo the following threshold review. A total of **12 points** can be earned and the project must score at least **8 points** to move forward.

Threshold Requirements	Yes= 1	No= 0
The SAGE Application is complete with all sections of the application filled out		
All required application documents have been submitted within the required timeframe		
The project has received municipal support as documented by a letter or resolution		

The project has documented site control		
The project as designed is allowed as of right or has obtained the required planning and zoning approvals		
The project leverages other non-AHTF funding sources		
The project has at least soft commitments for other non-AHTF funding		
The project has no funding gap beyond the request for AHTF funding		
The project has preliminary architectural plans		
The project has a market study or sufficient market information that shows the need for the project		
The project operating costs can be supported over the restricted period of affordability.		
The developer has previously received NJDCA affordable housing production funds and projects are in compliance with program requirements or is partnered with an entity who has previous experience with NJDCA and/or HMFA.		
Total		

STEP 2: SCORED REVIEW

Affordable Housing Trust Fund Application Scoring Guide

I. Financial Feasibility and Project Readiness (maximum 35 points)

1. AHTF Pro Forma (maximum 10 points)

- **10 points:** The AHTF Pro Forma contains a realistic set of funding sources and uses, development budget, and operating budget based on reasonable assumptions with **all** line items **falling within expected parameters** as outlined in **EXHIBIT II**.
- **5 points:** The AHTF Pro Forma contains a realistic set of funding sources and uses, development budget, and operating budget based on reasonable assumptions with **most** line items **falling within expected parameters** as outlined in **EXHIBIT II**.
- **0 points:** The AHTF Pro Forma contains an unrealistic set of funding sources and uses, development budget, and operating budget based on reasonable assumptions with **most** line items falling **outside expected parameters** as outlined in **EXHIBIT II**.

2. Financing Commitments (maximum 5 points)

- **5 points:** Firm letters of commitment from all other funding sources have been finalized and lenders are ready to close in conjunction with AHTF funding.
- **3 points:** Firm letters of commitment are finalized by some, but not all other public and private funding sources.
- **1 point:** Financing commitments are substantiated with Letters of Interest that include terms of financing.
- **0 point:** Financing letters of interest are missing from most identified sources of financing.

3. Planning & Zoning Approvals (maximum 5 points)

- **5 points:** Project is zoned as of right OR obtained the necessary zoning board approval and received final planning board approval.

- **3 points:** Project has obtained the necessary zoning board approval and received preliminary planning board approval.
- **1 point:** Project has applied for planning board and/or zoning board approvals.
- **0 points:** Project has not applied for planning board and/or zoning board approvals.

4. Project Timeline (maximum 3 points)

- **3 points:** There is a strong likelihood that the project will proceed into construction within the next 12 months and the project will be completed within 4 years from the date of funding based on the project narrative, estimated timeline, and other supporting documentation.
- **2 points:** There is a strong likelihood that the project will proceed into construction within the next 12 to 18 months and the project will be completed more than 4 years from the date of funding based on the project narrative, estimated timeline, and other supporting documentation.
- **0 points:** The project does not have a complete or realistic timeline.

5. Architectural Plans (maximum 2 points)

- **2 points:** Architectural plans are permit-ready and the construction budget is aligned with the plans. The plans reflect all design characteristics represented in the AHTF application.
- **1 point:** Architectural plans are not yet permit-ready but have been developed beyond the schematic design phase. The plans reflect all design characteristics represented in the AHTF application.
- **0 points:** Architectural plans are in the schematic design phase.

II. Construction and Operating Cost Reasonableness (maximum 15 points)

1. Construction Cost Guidelines (maximum 10 points)

Housing Type	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Single Family Detached/Semi-Detached	\$294.29	\$273.62	\$254.17	\$227.88	\$215.01
Row House (1-4 Family)	\$255.01	\$239.12	\$226.38	\$208.82	\$198.59
Walkup (5+ units)	\$231.07	\$224.39	\$220.55	\$217.71	\$215.72
Elevator (5+ units)	\$259.66	\$259.66	\$259.66	\$259.66	\$259.66
Parking Deck (Per Space)	\$25,000.00				

- **10 points:** Construction costs do not exceed the per square foot maximum cost.
- **5 points:** Construction costs are equal to or less than 5% greater than the per square foot maximum cost and there are reasonable justifications for the higher cost.
- **3 points:** Construction costs are equal to or less than 10% greater than the per square foot maximum cost and there are reasonable justifications for the higher cost.

- **1 point:** Construction costs are equal to or less than 15% greater than the per square foot maximum cost and there are reasonable justifications for the higher cost.
 - **0 points:** Construction costs exceed 15% greater than the per square foot maximum cost and there is no reasonable justification for the higher cost.
2. Annual Per Unit Operating Expenses Guidelines (maximum 5 points)
- **5 points:** Annual Per Unit Operating Expenses in the AHTF Pro Forma are between 35% and 50% of Total Effective Income (rents minus vacancies).
 - **3 points:** Annual Per Unit Operating Expenses in the AHTF Pro Forma fall 5% or less outside the expected range 35% to 50% of Total Effective Income (rents minus vacancies).
 - **2 points:** Annual Per Unit Operating Expenses in the AHTF Pro Forma fall 10% or less outside the expected range 35% to 50% of Total Effective Income (rents minus vacancies).
 - **1 point:** Annual Per Unit Operating Expenses in the AHTF Pro Forma fall 15% or less outside the expected range 35% to 50% of Total Effective Income (rents minus vacancies).
 - **0 points:** Annual Per Unit Operating Expenses in the AHTF Pro Forma fall greater than 15% outside the expected range 35% to 50% of Total Effective Income (rents minus vacancies).

III. Development Team Capacity & Experience (maximum 15 points)

1. Developer/Owner Capacity & Experience (maximum 5 points)
- **5 points:** The Developer/Owner has financial and workload capacity to undertake the project. The Developer/Owner demonstrates a track record in successfully completing multiple projects of similar size, scale, type, and complexity to the proposed project.
 - **2 points:** The Developer/Owner has successfully completed at least one project of similar size, scale, type, and complexity to the project.
 - **0 points:** The Developer/Owner's has never completed a project of similar size, scale, type, and complexity to the project **OR** the Developer/Owner has a documented history of performance issues or non-compliance with projects currently in operation.
2. General Contractor Capacity & Experience (maximum 5 points)
- **5 points:** The selected General Contractor demonstrates a track record (four (4) or more) in successfully completing projects of similar size, scale, type, and complexity to the proposed project. The General Contractor resume shows they are able to deliver the proposed project on time and within budget.
 - **2 points:** The selected General Contractor demonstrates a successful but has a limited track record (three (3) or less) in successfully completing projects of similar size, scale, type, and complexity to the proposed project. There are some concerns based on the General Contractor's resume that they are able to deliver the proposed project on time and within budget.

- **0 points:** A General Contractor has not been selected; or the selected General Contractor has minimal experience in successfully completing projects of similar size, scale, type, and complexity to the proposed project.

3. **Architect Capacity & Experience (maximum 5 points)**

- **5 points:** The selected Architect demonstrates a successful track record (four (4) or more) in designing projects of similar size, scale, type, and complexity to the proposed project. Based in their resume, the Architect has the capacity and experience to ensure the proposed design is compliant with all state and local building codes, construction standards, and accessibility requirements. The Architect has the capacity and experience to provide project oversight during the construction phase to ensure the project is delivered on time and within budget.
- **2 points:** The selected Architect demonstrates a successful, but limited track record (3 or less) in designing projects of similar size, scale, type, and complexity to the proposed project. Based in their resume, there are some concerns that the Architect can ensure the proposed design is compliant with all state and local building codes, construction standards, and accessibility requirements and they have the capacity and experience to provide project oversight during the construction phase to ensure the project is delivered on time and within budget.
- **0 points:** The selected Architect has no experience in projects of similar size, scale, type, and complexity to the proposed project. Based in their resume, they cannot show they have previously executed projects that are compliant with all state and local building codes, construction standards, accessibility requirements or that they have provided project oversight during the construction phase that ensured the project is delivered on time and within budget.

IV. Site Selection and Design Characteristics (maximum 5 points):

1. **Site Selection & Design Characteristics (maximum 5 points):** The proposed project site location is accessible to social, recreational, educational, commercial, and health facilities as well as municipal facilities and services. The project design is consistent with the neighborhood character.
 - **5 points:** Site selection is appropriate for use and accessible- walking or public transportation that is walkable- to community resources. The project design is consistent with neighborhood character.
 - **3 points:** Site selection is generally appropriate for use however accessibility to community resources is limited- would require public or private transportation. Project design has some differences from the neighborhood character.
 - **0 points:** Site selection is inappropriate for use and is not accessible to community resources. Project design does not fit into the neighborhood character.

- V. Market Analysis (maximum 5 points):** Project application contains a narrative market analysis or recent market study that includes information about the number of renters and homeowners, analysis of comparable area rents for both affordable and market rate projects

of similar size, and an explanation of how the market analysis supports the need for the proposed project; homeownership projects should include recent sales data.

- **5 points:** The market analysis and/or market study fully supports the need for the proposed project.
- **3 points:** The market analysis and/or market study support the need for the proposed project, but more information is needed.
- **0 points:** The market analysis and/or market study was not included in the project application or does not support the need for the proposed project.

VI. Priority Points (maximum 10 points)

- 1. Leveraging:** AHTF funding is 50% or less of the total funding sources for the project: **5 points**
- 2. Family Sized Units:** The project has a greater number of units with 3+ bedrooms than the minimum requirement for the bedroom distribution required by Uniform Housing Affordability Controls: **2 points**
- 3. Affordability Controls:** The project has affordability controls longer than the 20-year requirement of AHTF: **2 points**
- 4. Non-profit Developer:** The applicant is a non-profit developer. **1 point**

AHTF Score Summary

I. Financial Feasibility & Project Readiness (maximum 25 points)	Maximum Points
1. AHTF Pro Forma	10
2. Financing Commitments	5
4. Planning & Zoning Approvals	5
5. Project Timeline	3
6. Architectural Plans	2
II. Construction & Operating Cost Reasonableness (maximum 15 points)	
1. Construction Cost Guidelines	10
2. Annual Per Unit Operating Expenses Guidelines	5
III. Development Team Capacity & Experience (maximum 15 points)	
1. Developer/Owner Capacity & Experience	5
2. General Contractor Capacity & Experience	5
3. Architect Capacity & Experience	5
IV. Site Selection & Design Characteristics (maximum 5 points)	
1. Site Selection & Design Characteristics	5
V. Market Analysis (maximum 5 points)	5
Total Available Points Section I-V	65
VI. Priority Points (maximum 10 points)	
1. Leveraging	5
2. Family Sized Units	2
3. Affordability Controls	2
4. Non-profit Developer	1
Total Available Points Section VI	10
TOTAL AVAILABLE POINTS ALL SECTIONS	75

EXHIBIT I

AHTF Application Document Review Checklist	
SAGE Application #:	
Project Name:	
Project Sponsor:	
Staff Reviewer:	
0. Application & Project Pro Forma	
Received	
SAGE Application PDF	
Project Pro Forma	
Schedule G: Certification Regarding Debarment & Suspension	
Schedule H: Certification Regarding Lobbying	
Schedule I: Municipal Resolution of Support	
1. Municipal Support Documents	
Received	
Mayor Letter of Support	
Settlement Agreement & Judgment of Repose	
Municipal AHTF Confirmation & Spending Plan	
2. Developer/Sponsor Documents	
Received	
Articles of Incorporation	
Organizational By-Laws	
Partnership Agreement	
Board of Directors List	
Organization Chart	
Certificate of Good Standing	
Most Recent Audit	
Most Recent Tax Return in lieu of Audit	
Non-Profit Only: IRS Determination Letter	
Non-Profit Only: Tax Exempt Organization Search Screenshot	
3. Development Team	
Received	
Project Developer/Sponsor Experience	
Development Consultant Resume & Experience	
Engineer Resume & Experience	
Attorney Resume & Experience	
Accountant Resume & Experience	
Architect Resume & Experience	
Architect Errors & Omissions Insurance Policy & Certificate	
Builder/Contractor Resume & Experience	
Builder/Contractor State Residential Builder's License	
Builder/Contractor General Liability & Workers Compensation Insurance Certificates	
Builder/Contractor Bonding Capacity	
Marketing Resume & Experience	

Property Manager Experience
Service Provider Resume & Experience
Other Consultant Resume & Experience

4. Site Control Documents	Received
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Deed
Executed Purchase Contract
Resolution/Developer Agreement for Purchase of Municipal Property
As-Is Appraisal (if needed)

5. Project Design Documents	Received
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Survey
Drawings/Plans
Green Building Project Design Certification Form

6. Environmental Review Documentation	Received
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Phase I & II Reports
Environmental Review Record (HUD Funded Projects)
Soil Conditions Report

7. Planning & Zoning	Received
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Planning Confirmation Letter
Zoning Confirmation Letter
Planning Board Approval
Zoning Board Approval
Zoning Map
Community Map

8. Construction Contract, Permits, Utilities	Received
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Construction Contract
Building Permits
Utility Service Letters
Water Rate & Connection Fee Documentation
Sewer Rate & Connection Fee Documentation

9. Financing	Received
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Construction Loan Documentation (Term Sheet, Commitment Letter, Loan Docs, etc.)
Permanent Loan Documentation (Term Sheet, Commitment Letter, Loan Docs, etc.)
Other Funding Sources Documentation (Term Sheet, Commitment Letter, etc.)
PILOT/Tax Abatement Agreement or Non-Profit Property Tax Exemption
Property Tax Documentation

10. Market Analysis, Marketing Plan, Property Management Plan	Received
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Market Analysis
Affirmative Fair Housing Marketing Plan
Property Management Plan
Service Provider MOU
Special Needs Service Plan

EXHIBIT II

Underwriting Guidelines

Line Item	Expected Standard
Construction Contingency	Minimum 2%, Maximum 5%
Professional Services and Carrying & Financing Contingencies	Minimum 2%, Maximum 5% (combined)
Developer Fee	Maximum 8%
Profit, Overhead & General Requirements	Maximum 14% combined
Soft Costs	Maximum 28%
Annual Per Unit Operating Costs	Between 35% and 50% of effective income (rents minus vacancies), 60% if special needs/supportive housing <u>AND</u> project has no mandatory debt service
Percentage Change in Net Income	Minimum 1%, Maximum 3%
Percentage Change in Annual Operating Expenses	Minimum 1%, Maximum 3%
Debt Service Coverage Ratio	Minimum 1.20
Vacancy Rate	Maximum 7%
Annual Management Fee	Less than \$80 per unit per month OR less than 8% effective income (rents minus vacancies)
Annual Reserve Contribution per Unit	Minimum \$250 per unit