

Public Notice
Substantial Amendment to the FFY 2015-2019 Consolidated Plan and FFY 2016 Action Plan
June 30, 2016
REVISED (July 8, 2016) to include Public Hearing scheduled for July 21, 2016

The State of New Jersey is amending its FFY 2015-2019 Consolidated Plan and FFY 2016-2017 Annual Action Plan to include funds received under the National Housing Trust Fund (NHTF). The NHTF allocation plan outlines how the State will distribute its funding from the U.S. Department of Housing and Urban Development (USHUD) for the next fiscal year (July 1, 2016 thru June 30, 2017) and for the remainder of the 5 year FFY 2015-2019 Consolidated Plan period (July 1, 2016 thru June 30, 2019). The NHTF program will be incorporated into goal number 1: Increase the supply of affordable housing.

Below is a summary of the National Housing Trust Fund allocation plan.

Background:

In accordance with the rules and regulations of the U.S. Department of Housing and Urban Development (USHUD), the State of New Jersey must prepare an Allocation Plan in order to receive federal funding for the National Housing Trust Fund.

Federal Funding:

The State of New Jersey will receive \$3,733,566 from the National Housing Trust Fund in FFY 2016 to provide affordable housing for extremely low income households – those earning 30% or less of the Area Median Income as defined by the U.S. Department of Housing & Urban Development (HUD). These funds will be administered by the Department of Community Affairs (DCA). Project financing will be structured in the form of zero (0%) percent non-amortizing loans.

Allocation:

First Year Allocation

| | |
|-------------------------------------------|-------------|
| Total Allocation | \$3,733,566 |
| • Program Funds | \$3,360,210 |
| • Administrative Funds | \$ 373,356 |
| • Projected number of units to be created | 12 |

Remainder of 5 Year Consolidated Plan: FFY 2016-2019 (Estimated)

| | |
|-------------------------------------------|--------------|
| Total Allocation | \$12,000,000 |
| • Program Funds | \$10,800,000 |
| • Administration Funds | \$ 1,200,000 |
| • Projected number of units to be created | 38 |

Target Population:

NHTF funds are targeted to extremely low-income households (those earning 30% or less of the Area Median Income). In addition, to meet the State's priority housing needs, funds will be targeted to

projects in which 100% of units will serve people with special needs. In its first year, the State will provide additional points in its application process for projects in which 100% of units will serve the re-entry population.

Eligible Applicants:

Eligible applicants will be for-profit and non-profit developers. Applicants with experience in developing affordable housing, applicants with experience in serving special needs populations, and non-profit developers will receive additional points in the application process.

Eligible Projects:

100% of projects funded through the NHTF will be rental projects for extremely low-income households with special needs. All projects must commit to a 30-year affordability period. In order to ensure feasibility of projects, DCA will award project-based Housing Choice Voucher subsidies to projects selected through the NHTF. Eligible projects will be acquisition and rehabilitation or new construction. Eligible projects will contain no more than four NHTF units. Maximum award per project will not exceed \$700,000. Maximum per unit subsidy will be based on unit bedroom size per the chart below:

| Unit Size | 1-Bedroom | 2-Bedroom | 3-Bedroom | 4-Bedroom |
|---------------------------------|------------------|------------------|------------------|------------------|
| Maximum Per-Unit Subsidy | \$250,000 | \$300,000 | \$350,000 | \$400,000 |

Other Criteria:

Projects will be selected according to the following criteria:

- Geographic diversity – Successful projects will be located in areas of high opportunity, with access to public transportation, employment opportunities and other community amenities.
- Experience, capacity, and ability to obligate funds and complete activities in a timely fashion – Successful applications will demonstrate experience in developing affordable housing, prior success in meeting project and financial benchmarks, and feasible and reasonable project timelines and budgets.
- Ability to meet the State’s priority housing needs – Successful applications will demonstrate experience in serving special needs populations and will include a supportive services plan. In the first year of the NHTF program, additional points will be awarded to projects that will serve the re-entry population.
- Leverage – Projects may apply for up to 100% of development costs from the NHTF. Additional points will be awarded to projects that demonstrate leverage from non-NHTF sources.

Comment Submission:

The New Jersey Department of Community Affairs solicits public comments on the National Housing Trust Fund Allocation Plan. Any interested parties should submit comments at a hearing scheduled for July 21, 2016 at the Department of Community Affairs building located at 101 S. Broad Street, Trenton, New Jersey in room 129 at 10 AM or comments can be submitted to James Lordi, New Jersey

Department of Community Affairs, Division of Housing and Community Resources, National Housing Trust Fund Program, 5th Floor, PO Box 806, Trenton, New Jersey 08625-0806 or by email to james.lordi@dca.nj.gov until July 31, 2016