

**NEW JERSEY DEPARTMENT OF
COMMUNITY AFFAIRS
FY 2024 DRAFT ACTION PLAN**



**State of New Jersey
Phil Murphy, Governor**

**Department of Community Affairs
Jacquelyn A. Suárez, Commissioner**

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. *Introduction*

The 2024-2025 Annual Action Plan is the fifth-year strategy for executing the 2020-2024 Five- Year Consolidated Plan, which is a multi-year comprehensive planning document for the use of funds received from the United States Department of Housing and Urban Development (HUD). The Consolidated Plan promotes program coordination, sets forth priorities, and serves as a guide in coordinating the delivery of limited housing, community, and economic development resources to meet the needs of various program clientele.

The Consolidated Plan and each year's Annual Action Plan affirm the goals and objectives of Title I of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, as amended. This complex set of goals can be summarized into the following three main areas: provide decent housing, create a suitable living environment, and expand economic opportunity.

The New Jersey Department of Community Affairs (DCA) serves as the lead agency for the Consolidated Plan and Annual Action Plan development. In order to prepare the plans, DCA received extensive input from other state agencies, stakeholders, advocates, and community members.

The State will use its Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), Housing Trust Fund (HTF), Housing Opportunities for Persons With AIDS (HOPWA), and Recovery Housing Program (RHP) funds received from HUD to provide decent affordable housing, create suitable living environments and create economic opportunities.

Remaining CV Funding:

The State continues to expend the below CDBG-CV funds to assist households impacted by COVID. Community Development Block Grant funds totaling \$4,026,075 (first allocation); \$31,587,994 (second allocation); and \$5,848,736 (third allocation):

CDBG-CV1 and CDBG-CV3 funds are administered by the State’s Small Cities CDBG Program to the non-entitlement areas of the state. Awards were made to eligible counties by a funding allocation formula based on four factors. CDBG-CV2 funds are administered and awarded by the State’s CDBG Program to all New Jersey counties by a funding allocation formula based on three factors. All funding factors are described in the State’s Substantial Amendments to its Consolidated Plan.

Eligible activities were selected based on the demand for assistance as determined by the county and municipality through community outreach and include:

- Buildings and improvements, Including public facilities.
- Assistance to businesses, Including special economic development assistance; and
- Public services.

2. Summarize the objectives and outcomes identified in the Plan

All program activities funded with Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships (HOME), Housing Trust Fund (HTF), Housing Opportunities for Persons With AIDs (HOPWA), or Recovery Housing Program (RHP) dollars will further the HUD goals of developing viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities for low and moderate-income persons.

Over the next year, the State of New Jersey will allocate resources to address the following needs identified in the assessment:

- Affordable Housing (HOME, HTF, CDBG)
- Elimination of Homelessness (ESG, HOPWA, RHP, HOME)
- Community Revitalization (CDBG)
- Neighborhood Revitalization (CDBG)
- Economic Development (CDBG)
- Homeownership (HOME, CDBG)

3. Evaluation of past performance

The State's evaluation of its past performance over the previous year has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER). This document states the objectives and expected outcomes identified in the Consolidated Plan and includes an evaluation of past performance compared to measurable goals and objectives. The CAPER can be found on the Division of Housing and Community Resources website at [New Jersey Department of Community Affairs \(DCA\) | February 23, 2024- Public Notice of New Jersey's FFY 2022: Draft CAPER \(nj.gov\)](#). In 2023 the State allocated the majority of its HUD funds to address the need for affordable housing, to increase and preserve existing affordable housing, to address the needs of households who were homeless or had special needs, and to address infrastructure and public facility needs, as well as neighborhood rehabilitation. The State utilized HOME and Homelessness Prevention and Rapid Re-Housing funds to assist 452 homeless households with rental assistance and homelessness prevention assistance. Using ESG funds, the State assisted, 80 households at-risk of becoming homeless with homelessness prevention assistance and added 25 emergency shelter beds. Using HOME and HTF funds, the State constructed 12 rental units. CDBG funds were allocated to 19 applicants (12 grants were for public facilities, 6 projects to rehabilitate owner-occupied housing and 1 project for innovative development to make structural and energy-efficient improvements to an existing group home. HOPWA funds were used to support rental assistance for 131 people who were homeless or at risk of homelessness and those who had special needs.

CAPER Table

Goal	Category	Indicator	Expected	Actual
Improve community infrastructure and facilities	Non-Housing Community Development	Other	11	0
Increase supply of affordable rental & owner units	Affordable Housing	Rental units constructed	16	12
		Homeowner housing added	5	0
Preserve existing affordable housing	Affordable Housing	Homeowner housing rehabilitated	65	0
Support community & economic development programs	Non-Housing Community Development	Businesses Assisted	4	0
Support rental housing & services for homeless	Affordable Housing Homeless	Tenant-based rental assistance/rapid re-housing	312	452
		Overnight/emergency shelter/transitional housing beds added	5	25
		Homelessness prevention	90	80

The actual numbers for tenant-based assistance and the addition of emergency shelter beds surpassed expectations, however, in several categories the actuals were less than expected. These categories were the number of affordable units created, infrastructure/public facility activities, business assistance and homelessness prevention activities. The reasons for not meeting these goals include the following:

DCA fell short of meeting the goals identified for increasing affordable housing by 9 units (4 rental units and 5 homeownership units). This was the result of small, less experienced developers applying for funding. The majority of these developers needed to obtain gap financing from other sources such as County HOME and Federal Home Loan Bank before development could commence.

In regard to homelessness prevention, the State fell short of meeting its goal of 90 households by 10. During State FY 2023, DCA provided homelessness prevention assistance to over 91,000 households with the Emergency Rental Assistance Program , ESG-CV, State Homelessness Prevention, Diversion Assistance Pilot and the Comprehensive Eviction Defense and Diversion program funds.

DCA also did not meet its CDBG Program goals for homeowner housing rehabilitation, businesses assisted, and infrastructure/public facilities completed. DCA in FY 2023 awarded funds to 19 applicants (12 grants were for public facilities, 6 projects to rehabilitate owner-occupied housing and 1 project for innovative development to make structural and energy-efficient improvements to an existing group home. The projects all have 2 years to be completed and none were completed during FY 2023. DCA did not receive any applications for business assistance.

4. Summary of Citizen Participation Process and consultation process

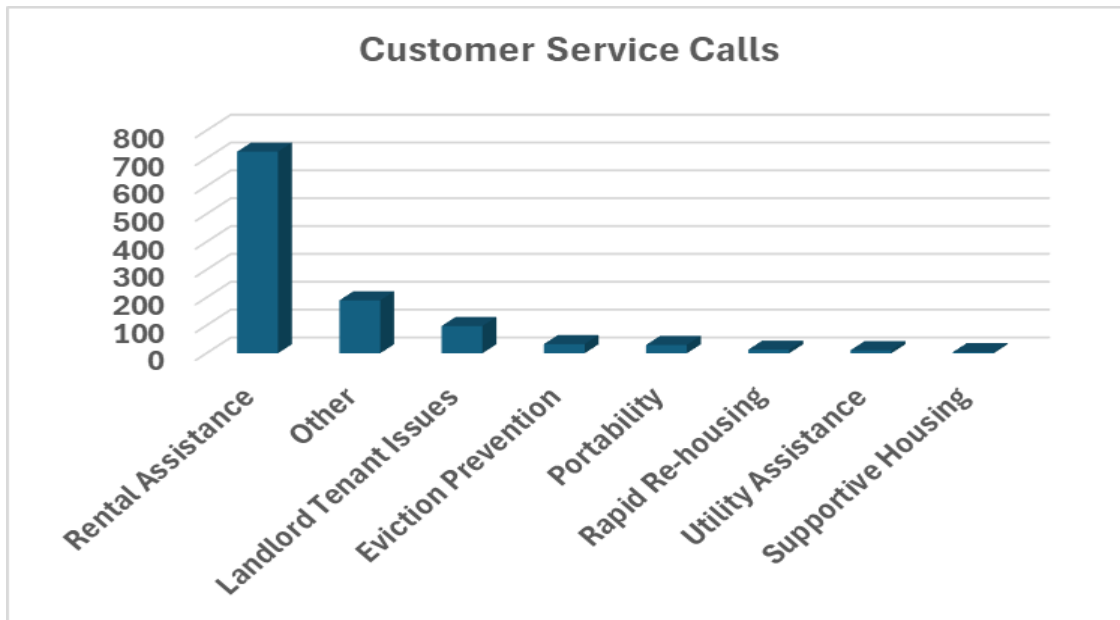
Summary from citizen participation section of plan.

In developing the 2024-2025 Annual Action Plan, the State continued to use its broad consultation and public participation process. That process included the posting of an electronic needs survey, stakeholder interviews, public meetings, and a review of customer service calls.

Community Needs Survey: DCA posted the State of New Jersey 2024 Annual Action Plan Community Needs Survey online on June 4, 2024. The survey was made available in both English and Spanish and remained open until June 30, 2024. Email notifications regarding the survey's availability were sent to over 600 nonprofit and for-profit developers, community-based nonprofits who assist homeless and special needs populations, County Continuum of Care contacts and local governments to assist in dissemination to the public. The survey information was also shared at the four community meetings.

Customer Service Unit Calls:

The State also tracked the issues and imminent needs of the calls coming into the Division of Housing and Community Resources' Customer Service Unit over a 5-week period from March 1, 2024, to April 5, 2024. During this time, the Customer Service Unit received over 1,100 calls; the callers' major needs were predominately rental assistance, followed by landlord tenant issues and eviction prevention.



Public Meetings

Community Meetings:

Three public meetings were held on June 25th (two sessions) and June 27th (one session). These three focus groups covered housing and homelessness, infrastructure and facilities, and general resident perspectives. Forty individuals registered for the meetings and participants included members of the general public and community stakeholders. Feedback from these meetings focused on the need for more affordable housing options in locations near employment, supportive services, and other amenities. The need for more reliable transportation and transportation services was also discussed. The need for more youth services was also noted, as well as housing and services for youth aging out of foster care. Feedback from community members noted the difficulty in finding secure and affordable housing due to issues such as credit checks, eviction records, and the inability to utilize vouchers due to landlord refusal, location availability, waitlists, and rent prices. Mental health and substance abuse

services are continuing to be a priority in New Jersey and the supply does not currently meet the demand.

Public Hearing and Public Comment Period

To be completed after the Public Hearing scheduled for July 23rd at 10 AM

Summary of comments or views not accepted and the reasons for not accepting them.

All views were accepted and considered.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	NEW JERSEY	Community Affairs
CDBG Administrator	NEW JERSEY	Community Affairs
HOPWA Administrator	NEW JERSEY	Health
HOME Administrator	NEW JERSEY	Community Affairs
ESG Administrator	NEW JERSEY	Community Affairs
HOPWA-C Administrator	NEW JERSEY	Health

Table 1 – Responsible Agencies

Narrative

N/A

Consolidated Plan Public Contact Information

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AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

The NJ Department of Community Affairs (DCA), NJ Department of Human Services (DHS), NJ Department of Children and Families (DCF), NJ Department of Health (DOH), and the NJ Housing and Mortgage Finance Agency (HMFA) will continue to enhance coordination between housing and service providers throughout the state. This will be accomplished through 1) the Office of Homelessness Prevention (OHP) established in early 2020 to implement a Statewide strategy to address homelessness. The office will pursue better coordination across State and local agencies and private organizations that provide services to persons who are homeless or at risk for homelessness; 2) grantee meetings with affordable housing developers, mental health providers, shelter providers, homeless assistance providers, and local government agencies to discuss the implementation of programs; and 3) Homeless Management Information System (HMIS) meetings that are attended by the agencies participating in the New Jersey Collaborative.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies.

Over the next year, DCA along with other state agencies and providers are working to braid resources and develop the infrastructure to house some of the State's most vulnerable populations, including but not limited to individuals with intellectual and developmental disabilities, individuals with mental health and substance abuse disabilities, individuals and families experiencing homelessness and/or domestic violence, and very low-income households that are cost burdened. These efforts include the development of affordable housing units, the issuance of rental assistance vouchers, and eviction prevention services through the following programs:

- Keeping Families Together initiative. As part of this initiative, community-based agencies are providing case management to assist over 600 homeless households who are involved with the child welfare system identify and secure housing and access necessary supportive services to permanently reunify families.
- DCA will also continue to work with DHS to provide rental assistance through the Supportive Housing Connection program to eligible consumers referred by the Division of Developmental Disabilities (DDD) and through the Division of Mental Health and Addiction Services (DMHAS). The

Supportive Housing Connection provides the following types of assistance: landlord outreach and training, rental and other housing assistance, unit referrals and inspections and resident inquiry resolution services.

- The New Jersey Healthy Homes Initiative (NJHHI) Capital Fund and Repair and Replacement Reserve. NJHHI a collaboration with DHS provides capital and operating cost assistance to deed-restricted affordable housing units that are set-aside for Medicaid members making less than 30% of Area Median Income and are at risk of homelessness or institutionalization.
 - DCA adopted the following preferences for admission to the Housing Choice Voucher waiting list: Veterans, Homeless, Disabled, Domestic Violence, and Local Residents.
 - Comprehensive Eviction Defense and Diversion (CEDD) provides eligible low-income households facing or threatened with eviction with free and quality access to both an attorney, who can best advocate for them in court to prevent their eviction and negotiate settlements with their landlords, and with an experienced case worker called a resource navigator who can best connect them to necessary resources including to rental assistance and relocation support. Together, resource navigators and attorneys coordinate their efforts to prevent lockouts by the courts. CEDD is available in every county throughout New Jersey.

Through the Office of Homelessness Prevention, DCA will facilitate and coordination between state agencies, units of local government and private housing, mental health, and service agencies.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

State representatives will continue to work closely with Continuum of Care (CoC) staff to end the cycle of homelessness and assist individuals and families in sustaining housing, acquiring income and employment, and improving the quality of their lives. In addition, DCA will continue to require CoC support letters for all applications submitted for the Homelessness Prevention and Rapid Rehousing (HPRP) Request for Proposals (RFP) and the Shelter Support RFP. The support letter must comment on the need for the proposed project and indicate whether it is a high priority in the CoC homeless assistance plan. In addition, the Office of Homelessness Prevention will coordinate with local CoCs and other stakeholders to develop statewide approaches to addressing homelessness, in addition to

requiring any programmatic state special purpose funds deployed to also be aligned with local CoC efforts and coordinated entry practices.

The Office of Homelessness Prevention has established its Regional Homelessness Collaboration Initiative (RHCI) to enhance municipal and county partnerships in line with CoC supports. The first communities that RHCI are deployed in are Atlantic and Essex Counties, with a special focus on optimizing and alignment of federal, state, and local assistance streams and programs to deduplicate intervention efforts.

CoC Initiatives – Data Driven Decision Making – Organizational Enhancement Program (3DM-OEP)

The Data-driven Decision Making: Organizational Enhancement Program (3DM-OEP) is an innovative initiative by New Jersey's Office of Homelessness Prevention aimed at revolutionizing how homelessness prevention services operate across the state at the Continuum-of-Care level. At its core, the program seeks to infuse data analytics and data-driven decision-making into the fabric of organizations working to combat homelessness. This approach recognizes that in today's complex landscape of housing services, the ability to leverage data effectively can dramatically improve outcomes for vulnerable populations. Currently, 15 of the 16 of the state's CoCs are participating in the initiative.

The program offers two distinct tracks, each designed to meet organizations at their current level of data readiness and propel them forward.

Track 1, the Data Analyst & Infrastructure Capacity Track, is a comprehensive approach for Continuums ready to make a significant leap in their data capabilities. This track provides substantial funding (up to \$167,500) for hiring a dedicated data analyst, acquiring essential data visualization and business intelligence tools, and participating in an intensive 3DM Organizational Change Program (see above). The goal is to create a data-savvy team within each CoC, capable of transforming raw information into actionable insights. By embedding a data analyst and providing cutting-edge tools, this track aims to create a sustainable culture of data-driven decision making. The Organizational Change program ensures that this new capacity isn't siloed but integrated throughout the organization, from collaborative leadership to front-line staff.

Track 2, the Data Strategy & Transformation Planning Support Track, is designed for CoCs at an earlier stage in their data journey. With a more modest funding allocation (up to \$20,000), this track focuses on laying the groundwork for future data initiatives. It enables organizations to engage expert consultants to facilitate a strategic planning process, focusing on improving data collection, enhancing data quality, and developing frameworks for data-driven decision making. This track recognizes that before implementing advanced data systems, organizations need a clear roadmap and buy-in from all stakeholders. It emphasizes the importance of including voices of those with lived experience of

homelessness in the planning process, ensuring that data strategies are grounded in real-world needs and experiences.

Both tracks of the 3DM-OEP share the ultimate goal of creating a more responsive, efficient, and effective homelessness prevention ecosystem across New Jersey. By tailoring the approach to different organizational needs, the program aims to elevate the entire field, creating a network of data informed CoCs working collaboratively to address one of the state's most pressing challenges. Through this program, New Jersey is positioning itself at the forefront of evidence-based social services, setting a new standard for how data can be harnessed to create meaningful change in people's lives.

CoC Initiatives – Community Led Participatory Development – Statewide Persons with Lived Experience and Expertise Initiative (CLPD-PWLEE)

The New Jersey Department of Community Affairs (DCA), through its Office of Homelessness Prevention (OHP), has initiated a significant effort to transform the planning and decision-making processes in the state's homelessness prevention service ecosystem. This initiative, known as the Community-Led Participatory Development (CLPD) for homelessness prevention service delivery, aims to ensure that people with lived experience of homelessness are integral to shaping policies, funding decisions, and regulations.

To facilitate this ambitious project, DCA has engaged Monarch Housing Associates as the primary vendor and facilitator. The engagement, formalized through a Request for Quote (RFQ) process, outlines a comprehensive scope of work that Monarch is tasked with implementing over a 12-month period. The program will continue into 2024/2025.

The initiative has established a structured network of advisory boards at both county and state levels. To date, active boards have been successfully implemented in eight counties: Atlantic, Bergen, Essex, Monmouth, Morris, Middlesex, Ocean, and Passaic. The program is currently in the process of expanding, with new boards into Burlington, Mercer, and a tri-county region encompassing Sussex, Warren, and Hunterdon counties.

A notable shift in recruitment methodology has been observed. The initial reliance on agency referrals has been replaced with a more inclusive approach utilizing open focus groups, public advertisements, and word-of-mouth communication. This change has resulted in a broader, more diverse participant base. To acknowledge the value of participants' contributions, a compensation model has been implemented, offering \$50 Visa gift cards for participation.

The advisory boards have demonstrated active engagement in various capacities. Members have participated in local Continuum of Care (CoC) meetings and committees, contributed to the 2024 Point-in-Time (PIT) count, and engaged in advocacy work, including participation in national events such as Hill Day in Washington D.C. Additionally, the boards have been involved in reviewing evaluation and performance measures for legacy state programs like HPP and HPRP2, and have contributed to the development of operating documents for the Statewide Advisory Board, which is heavily engaged with housing policy at the DCA.

To ensure effective participation, a comprehensive four-part training program has been developed and implemented for new advisory board members. This program covers essential topics including committee work fundamentals, effective communication strategies, understanding of intersectionality, and CoC operational basics.

While the initiative has shown promising results, several challenges have been identified. These include logistical issues such as securing appropriate meeting spaces, navigating the complexities of participant compensation vis-à-vis potential impacts on benefits eligibility, and anticipated resistance to the formalization of advisory board roles within established CoC structures.

Looking forward, the initiative has outlined several key objectives. These include developing robust evaluation processes for CoC policies and procedures, creating training programs for CoCs focused on effective consumer communication, participating in monitoring processes for state housing programs, and providing insights for the development of a Housing Mobility program.

The CLPD-PWLEE initiative represents a significant paradigm shift in New Jersey's approach to addressing homelessness. By systematically incorporating the perspectives of individuals with lived experience into decision-making processes, the state is working towards creating a more responsive, equitable, and effective system. While challenges remain, the progress to date and the comprehensive plans for future development indicate a strong commitment to this innovative approach. Continued monitoring and evaluation will be crucial to assess the long-term impact and potential scalability of this model.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.

As previously stated, DCA requires CoC support letters for all applications submitted for the Homelessness Prevention and Rapid Rehousing RFP and the Shelter Support RFP. The support letter must comment on the need for the proposed project and indicate whether it is a high priority in the CoC's homeless assistance plan.

DCA will consult with the CoCs in the State to align performance standards before the release of FFY 2024 funding. By working together to develop and track performance measures, DCA can ensure that ESG funding is utilized most effectively to address the complex issue of homelessness. This consultative partnership between DCA and CoCs is a positive step towards improving outcomes for

homeless individuals and families in the state.

The New Jersey Statewide Homeless Management Information Collaborative is a unique partnership between state agencies and local communities. The New Jersey HMIS Statewide Collaborative (NJ HMIS) assists participating CoCs and their provider agencies to meet HUD HMIS requirements needed to receive HUD McKinney-Vento Homeless Assistance funding. HMIS partners include the New Jersey Housing and Mortgage Finance Agency, the New Jersey Department of Human Services, the New Jersey Department of Community Affairs, the New Jersey Department of Children and Families, and 19 counties. Participating counties in New Jersey include Atlantic, Burlington, Cape May, Camden, Cumberland, Essex, Gloucester, Hudson, Hunterdon, Mercer, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Sussex, Union, and Warren counties. HMFA and DCA staff meet regularly with the CoCs for feedback on HMIS performance. DCA uses data from HMIS to evaluate current programs, make informed funding decisions and to develop strategies to address homelessness. In addition, DCA provides financial support to the HMIS Statewide Collaborative annually.

The NJ HMIS staff regularly attend CoC meetings as well as the data sub-committee meetings. The NJ HMIS holds bi-monthly Advisory Council meetings with CoC leads, providers, and state partners. DCA participates in the statewide Advisory Council meetings and is actively working towards greater data collaboration and governance practices, through the Office of Homelessness Prevention, to enhance the entire state's ecosystem of providers and stakeholders.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated.

1	Agency/Group/Organization	HOUSING AND COMMUNITY DEVELOPMENT NETWORK OF NEW JERSEY
	Agency/Group/Organization Type	Nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
2	Agency/Group/Organization	FAMILY PROMIS OF SUSSEX COUNTY
	Agency/Group/Organization Type	Community-based nonprofits
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
3	Agency/Group/Organization	OCEAN INC COMMUNITY ACTION PARTNERSHIP
	Agency/Group/Organization Type	Community-based nonprofits
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
4	Agency/Group/Organization	TRIPLE C HOUSING

	Agency/Group/Organization Type	Community-based nonprofits
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
5	Agency/Group/Organization	JEWISH FAMILY SERVICE
	Agency/Group/Organization Type	Community-based nonprofits
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in community meetings and invited to participate in stakeholder interviews.
6	Agency/Group/Organization	MENTAL HEALTH ASSOCIATION OF ESSEX AND MORRIS INC.
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
7	Agency/Group/Organization	NOUVELLE LLC
	Agency/Group/Organization Type	Housing Developer
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
8	Agency/Group/Organization	Sussex, Hunterdon, Warren COC
	Agency/Group/Organization Type	Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
9	Agency/Group/Organization	PEMBERTON TOWNSHIP
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.

10	Agency/Group/Organization	TOWN OF NEWTON
	Agency/Group/Organization Type	Other Government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
11	Agency/Group/Organization	CATHOLIC CHARITIES OF METUCHEN
	Agency/Group/Organization Type	Community-based nonprofit; Non-profit and for-profit developers
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.

12	Agency/Group/Organization	WARREN COUNTY INTERFAITH HOSPITALITY NETWORK
	Agency/Group/Organization Type	Community-based nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
13	Agency/Group/Organization	COVENANT HEALTH
	Agency/Group/Organization Type	Community-based nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
14	Agency/Group/Organization	WILDWOOD
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
15	Agency/Group/Organization	CENTER FOR FAMILY SERVICES, INC.
	Agency/Group/Organization Type	Community-based nonprofit

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
16	Agency/Group/Organization	DOMESTIC ABUSE AND SEXURAL ASSAULT CRISIS CENTER OF WARREN COUNTY
	Agency/Group/Organization Type	Community-based nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.
17	Agency/Group/Organization	180 TURNING LIVES AROUND, INC.
	Agency/Group/Organization Type	Community-based nonprofit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in community meetings and stakeholder interviews.

Identify any Agency Types not consulted and provide rationale for not consulting.

The State offered an opportunity for consultation and consulted with all agency and organization types to identify priorities and needs.

Other local/regional/state/federal planning efforts considered when preparing the Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Local CoC	The plans' goals are to assist households experiencing homelessness and decrease the number of homeless households.
2020 Analysis of Impediments to Fair Housing - DCA	NJ DCA	The Analysis of Impediments to Fair Housing Choice identifies remaining challenges in ensuring equitable housing choices for all New Jersey residents.

Table 3 - Other local / regional / federal planning efforts

Narrative

DCA encouraged local and county government to participate in the development of the Annual Action Plan. DCA sent email notifications to both non-entitlements and entitlements informing them of the online public survey, community meetings, public hearing, and the posting of the draft plan.

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting.

The Department of Community Affairs provided opportunities for the public to participate during the development of this Annual Action Plan. DCA consulted with local and county government, nonprofit and for-profit agencies, and concerned citizens. The preparation of the draft Annual Action Plan involved the following: the posting of an electronic community needs survey, public hearing, targeted stakeholder interviews, a review of customer service calls, and posting of the draft plan. The comments received assisted the State in deciding how to allocate its limited federal HUD funding to address the most pressing housing and community development needs in New Jersey.

In order to obtain input from people with lived experience, emails were sent to homeless service providers throughout the State and individuals participating on the People with Lived Experience and Expertise program (PWLEE) task forces requesting their assistance in completing the survey on housing and community development needs and fair housing. They were also requested to share same with their clientele. This group was also notified when final draft was posted and provided information about the public comment period and public hearing.

Citizen Participation Outreach Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
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1	Electronic Community Needs Survey	Nonprofits/ for- profits, concerned citizens and local government		<p>The survey indicated a strong need for addressing affordable housing issues in the State. The major challenges identified to finding decent, safe, and affordable housing in New Jersey were the cost of housing and utilities and affordable housing only existing in certain areas. Among the services in greatest need, services for mental health, those who</p>	N/A	
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Citizen Participation Outreach Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				are homeless or have special needs, transportation services and abused or neglected children were noted as most important. All stakeholders noted the cost of housing and homelessness as high priority needs		
2	Stakeholder Interviews	Nonprofits and for-profits	The State completed stakeholder interviews with a range of community experts.	All stakeholders noted the cost of housing and homelessness as high priority needs	N/A	

Citizen Participation Outreach Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Comment Period/Public Hearing	Public	The state held a Public Comment Period and Public Hearing.	TBD	N/A	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	6,730,317	0	0	6,730,317	0	The CDBG Program will provide funds to rehabilitate housing, create suitable living environments, and enhance economic opportunities in non-entitlement areas throughout the State.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	4,939,960	0	0	4,939,960	0	The HOME Program will provide funds to develop affordable housing units, rehabilitate owner-occupied units and provide rental assistance and security deposits if needed.

HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA. All eligible activities and services are subject to change based on HUD guidelines.	1,916,375	0	0	1,916,375	0	The HOPWA Program will provide housing assistance to low-income persons with HIV/AIDS.
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ESG	public - federal	Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Support existing domestic violence and aging out youth transitional housing facilities by abating code violations and improving the living conditions for residents.	3,398,884	0	0	3,398,884	0	<p>The ESG Program will provide grants to expand or improve the quality of emergency shelters and support existing domestic violence and aging out youth transitional housing facilities by abating code violations and improving the living conditions for residents.</p> <p>The program also provides temporary financial assistance and services to prevent households from becoming homeless; divert people who are applying for shelter into other housing; and help those who are experiencing homelessness to be quickly rehoused.</p>
HTF	public - federal	Building, rehabilitating, rental housing for extremely	5,367,920	0	0	5,367,920	0	The Housing Trust Fund will provide funds to develop affordable rental housing units.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
		low-income people						
Other Recovery Housing Program	public - federal	Transitional housing	1,026,646	0	0	1,026,646	0	The Recovery Housing Program will provide stable, transitional housing for individuals in recovery from a substance-use disorder.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

New Jersey will leverage federal CDBG, ESG, HOME, HTF and HOPWA funds with other State funds to address housing and community development needs. The Community Development Block Grant Program requires the State of New Jersey to match administration funds after the first \$100,000 on a one-to-one basis. The match for CDBG is the State’s Affordable Housing Trust Fund. The Emergency Solutions Grant Program requires a one-to-one match. The match for ESG is provided by the State’s General Fund and the State’s Homelessness Prevention Program. The HOME Program requires a 25% match. The match for HOME is the Affordable Housing Trust Fund. The Housing Trust Fund (HTF)

and the HOPWA Program do not require a local match.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

N/A

Discussion

N/A

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

FFY 2024 HOME Allocation	
Allocation	\$4,939,960
Administrative	\$493,996.00
CHDO	\$1,000,000.00
TBRA	\$2,700,000.00
Production Investment	\$745,964.00

FFY 2024 Emergency Solutions Grant Allocation		
Allocation	\$3,398,884	
Administrative	254,916.30	(\$75,000 is for HPRP grantees and \$179,916.30 DCA Admin)
Shelter	1,572,000.00	
HPRP	1,571,967.70	

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increase supply of affordable rental & owner units	2020	2024	Affordable Housing	State of New Jersey	Affordable Housing	HOME: \$1,992,962 HTF: \$5,367,920	Rental units constructed: 12 Household Housing Unit Homeowner Housing Added: 2 Household Housing Unit Rental units rehabilitated: 20 Household Housing Unit
2	Support rental housing & services for homeless	2020	2024	Affordable Housing Homeless	State of New Jersey	Eliminate Homelessness	HOPWA: \$1,916,375 HOME: \$2,946,998 ESG: \$3,398,884 RHP: \$975,313	239 Households Assisted with TBRA RRH: 414 Households Assisted Overnight/Emergency Shelter Beds added: 5 Beds Homelessness Prevention: 337 Households Assisted HIV/AIDS: 168 HIV/AIDS households to be provided rental assistance and other eligible services. 1 Recovery House

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Improve community infrastructure and facilities	2020	2024	Non-Housing Community Development	CDBG - Non-Entitlement Communities	Community Revitalization	CDBG: \$4,765,705	Other: 13 Other
4	Preserve existing affordable housing	2020	2024	Affordable Housing	CDBG - Non-Entitlement Communities	Neighborhood Revitalization	CDBG: \$1,544,420	Homeowner Housing Rehabilitated: 50 Household Housing Unit
5	Support community & economic development programs	2020	2024	Non-Housing Community Development	CDBG - Non-Entitlement Communities	Economic Development	CDBG: \$420,192	Businesses assisted: 1 Business Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Increase supply of affordable rental & owner units
	Goal Description	The State will provide funding for new construction and rehabilitation of rental and owner units. These activities will help increase the supply and quality of affordable housing including accessible housing for very low-income and low-income households. The State will also increase homeownership opportunities for low and moderate-income households.

2	Goal Name	Support rental housing & services for homeless
	Goal Description	The State will provide homeless prevention and rapid re-housing funds to those in or at risk of becoming homeless and tenant-based rental assistance to individuals diagnosed with HIV/AIDs. Also, the State will provide funds to emergency shelters and transitional housing facilities to address life safety issues and improve the living conditions of the residents. The State will provide assistance to support temporary housing for people recovering from substance abuse. The State will also support local jurisdictions' planning process to reduce and end homelessness.
3	Goal Name	Improve community infrastructure and facilities
	Goal Description	The State will provide funding to support the replacement or reconstruction of deteriorating infrastructure and the construction of essential community facilities such as youth centers.
4	Goal Name	Preserve existing affordable housing
	Goal Description	The State will provide funding to preserve the existing affordable housing stock and neighborhoods.
5	Goal Name	Support community & economic development programs
	Goal Description	The State will support community and economic development programs that expand business enterprises and increase job opportunities for low and moderate-income households.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

This section describes the funding allocation priorities.

Funding Allocation Priorities

	Increase supply of affordable rental & owner units (%)	Support rental housing & services for homeless (%)	Improve community infrastructure and facilities (%)	Preserve existing affordable housing (%)	Support community & economic development programs (%)	Total (%)
CDBG	0	0	71	23	6	100
HOME	35	54	0	0	0	100
HOPWA	0	100	0	0	0	100
ESG	0	100	0	0	0	100
HTF	100	0	0	0	0	100
Other						
RHP	0	100	0	0	0	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

The allocation is based on the assessment of needs identified by the electronic needs survey, meetings with program grantees, a review of customer service calls, and recommendations from stakeholders.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The CDBG funds are awarded competitively to eligible towns and county governments. The CDBG program improves low-income communities by providing funds for housing rehabilitation, infrastructure repairs and new public facilities. In addition, the program may also help create

economic opportunities. Projects that benefit high percentages of low-income people receive priority funding. Innovative or Economic Development projects must create jobs for low-income people.

The HOME and HTF funds will be competitively awarded to nonprofit and for-profit developers to create new affordable housing units. In addition, HOME funds will be allocated to TBRA to continue to provide rent and utility assistance to veterans, elderly and disabled households.

The RHP pilot will provide transitional housing opportunities for individuals in recovery from a substance-use disorder.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

The State of New Jersey distributes the formula funds through a competitive, open process via the Department of Community Affairs’ System for Administering Grants Electronically (SAGE) and therefore cannot predict the ultimate geographic distribution of these funds. Feasible projects submitted that are ready to proceed will receive priority. The State is committed to the development of affordable housing in areas of high opportunity by scoring points for projects in these areas.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	CDBG Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	CDBG provides funds to rehabilitate housing, create suitable living environments, and enhance economic opportunities in non-entitlement areas throughout the State.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Does application meet one of the National Objectives set forth in the Housing and Community Development Act (HCDA), and are the activities permitted by the HCDA?</p> <ul style="list-style-type: none"> • Benefit to Low/Moderate Income People • Prevention or Elimination of Slums & Blight • Urgent Need <p>Does application address at least one of the State Program Objectives?</p> <ul style="list-style-type: none"> • Support housing rehabilitation programs that maintain the supply of safe, decent, and affordable housing. • Support and encourage efficient patterns of community development, redevelopment, and capital funding by giving priority to proposals that address documented health and safety concerns. • Encourage innovative proposals that improve housing, and other eligible activities to renew designated revitalization areas. • Encourage the development of facilities needed to support welfare to work programs such as job training and child and elder care. • Support and encourage neighborhood revitalization efforts identified in locally developed plans and strategies. • Improve the availability and adequacy of essential public facilities, and remedy serious deficiencies in areas that principally serve people of low or moderate income. • Ensure that municipalities have the capacity to implement community development programs and maintain community development improvements.
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	<ul style="list-style-type: none"> • Support community development projects of particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and where other financial resources are unavailable. <p>Does application include a Public Notice (display ad) in compliance with Citizen Participation Requirements? Yes</p> <p>Does application include evidence that required Local Match of grant funds will be met? Yes</p> <p>Does application include evidence that the Compliance Items have been completed? Yes</p> <ul style="list-style-type: none"> • Citizen Participation Resolution • Fair Housing Resolution • Matching Funds Certification • Grant Management Plan & Resolution • Professional Services Agreements (Drafts) • Complete Draft Environmental Review Record, OR 100 % Complete Final ERR • Policy and Procedure Manual and Resolution (HR Only) • Cooperative Agreement <p>Applicants must demonstrate that they can complete their proposed project within the two-year grant period.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>The program's Final Plan is attached to the program's Request for Proposals. The Final Plan is also posted on the DCA website.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>ESG funds are allocated to community-based nonprofits for rapid re-housing activities and to nonprofits and local governments for emergency shelter improvements. The funds are allocated through Request for Proposals on the DCA SAGE system (DCA SAGE - Portal (intelligrants.com))</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Economic Development Fund: The State will award up to \$400,000 to support community and economic development programs that expand business enterprises and increase job opportunities.</p> <p>The Housing Rehabilitation Fund (\$1,500,000) funds activities that improve the condition of affordable housing in New Jersey. County-managed programs may be awarded up to \$400,000. Multi-jurisdictional programs may receive grants of up to \$300,000. Awards to programs serving only one municipality may not exceed \$200,000. The fund is designed to rehabilitate only single-family owner-occupied housing.</p> <p>The Public Facilities Fund (\$4,628,407) provides funds to units of local government to construct or improve essential public facilities that will primarily benefit people of low and moderate-income. The maximum grant awarded in this category will be \$400,000. However, this maximum may be exceeded if compelling reasons are presented and accepted by the DCA.</p>

	Describe threshold factors and grant size limits.	See above.
	What are the outcome measures expected as a result of the method of distribution?	The outcome measures are identified within the Annual Goals and Objectives section of this report (AP-20).
2	State Program Name:	Emergency Solutions Grant Program
	Funding Sources:	ESG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Shelter Support Program provides funds to maintain shelter facilities by:</p> <ul style="list-style-type: none"> • Addressing life and safety issues • Purchasing equipment and furnishings that will provide direct benefits to the shelter's residents. • Creating new emergency shelter beds when needed • The program also provides temporary financial assistance and services to prevent households from becoming homeless; divert people who are applying for shelter into other housing; and help those who are experiencing homelessness to be quickly re-housed and stabilized.
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<ul style="list-style-type: none"> • Experience with providing similar services and assistance. • Experience working with the target population. • Capacity to successfully manage previous program grants. • Achieved prior grant objectives within the established time frame. Provided accurate cost estimates of the proposed work. Expended grant awards correctly and in a timely manner. Produced and submitted performance and financial reports correctly and on-time. Have no unresolved audit findings with DCA. Enough revenue/income to operate the project. • Proposed project(s) is supported by the local CoC. • All applicants are required by the US Department of Housing and Urban Development to 1) obtain a UEI number and complete or renew their registration with the System for Award Management (SAM); and 2) be active participants in a Homeless Management Information System (HMIS).

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Eligible entities are government entities and nonprofit organizations.</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Homeless Prevention/Rapid Re-Housing: \$1,646,967.70</p> <p>Shelter Support: \$1,572,000</p>

	Describe threshold factors and grant size limits.	The maximum award to a grantee is \$500,000.
	What are the outcome measures expected as a result of the method of distribution?	The outcome measures are identified within the Annual Goals and Objectives section of this report (AP-20).
3	State Program Name:	HOME Investment Partnership Program
	Funding Sources:	HOME

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>HOME Investment Partnerships Program (HOME) provides funds to:</p> <ul style="list-style-type: none"> • Develop affordable housing units. • Provide rental assistance to victims of domestic violence and disabled households. • Provide security deposits if needed. • Rehabilitate low-income homeowners’ housing units. • Engage in capacity building for CHDOs through the use of a predevelopment fund
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<ul style="list-style-type: none"> • Capacity of the applicant to successfully undertake the proposed activities. • Has the applicant demonstrated effective grant management (achieved prior grant objectives within the established time frame; provided accurate cost estimates of the proposed work; expended previous grant awards correctly and in a timely manner; and produced and submitted prior grant’s performance and financial reports correctly and on-time)? • Does the applicant have any unresolved audit findings with DCA? • Does the applicant have enough revenue/income to complete the project? • Approach and Budget (are the program costs reasonable; is the timeline for completion reasonable)

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Community Housing Development Organization (CHDO) Production (\$1,000,000) provides funding to eligible CHDOs producing affordable units. Eligible activities include acquisition, demolition and removal of buildings; construction of new housing; conversion of non-residential to residential space and the substantial rehabilitation of vacant buildings. The State also intends to create a CHDO Predevelopment Fund using the 2024 HOME allocation in order to increase the number of CHDO organizations operating within the State and also to increase partnerships with non-profits to focus on affordable homeownership production.</p> <p>Housing Production Investment (\$745,964) provides funds to developers for the purpose of creating affordable rental and homeownership units. Eligible activities include acquisition, demolition and removal of buildings; construction of new housing; conversion of non-residential to residential space and the substantial rehabilitation of vacant buildings.</p> <p>HOME Tenant-Based Rental Assistance (TBRA) (\$2,700,000) helps reduce the housing costs of very low-income households by providing direct rent subsidy payments to their landlords.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>A project is eligible for the per-unit subsidy amount, per 24 CFR 92.250(a) of the HOME regulations, which in conjunction with the State Balanced Housing Program rules, will govern the amount of HOME funds allocated to a project. The amount of funds reserved for a project will be based on the information provided in the HOME Production Program application via SAGE and will fund only the gap between project cost and other revenue. The Department, at its discretion, may award less than the maximum subsidy.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The outcome measures are identified within the Annual Goals and Objectives section of this report (AP-20).</p>
4	<p>State Program Name:</p>	<p>HOPWA Program</p>
	<p>Funding Sources:</p>	<p>HOPWA</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Department of Health has identified a project sponsor that has the capacity, expertise and demonstrated success in facilitating housing programs for low-income HIV+ individuals.</p> <p>A low-income individual living alone, or as a head of household, or an eligible child residing with a parent or legal guardian who is HIV/AIDS positive is qualified to receive permanent tenant-based rental assistance. Applicants may be referred to the project sponsor by a participating HIV/AIDS service provider agency and be receiving HIV/AIDS case management. Applications will not be accepted directly from the applicant. All clients may also receive HIV case management and related supportive services through State and federal (Ryan White) funded grantees in their area. The Department of Health selects the project sponsor(s) community-based support organizations that provide participants with case management and an array of supportive services ancillary services in conjunction with the rental subsidies. These agencies certify that each HOPWA participant receives required case management services and meets the criteria. HIV/AIDS service providers meet with the project sponsors on a quarterly ongoing basis in order to review program activities and progress.</p> <p>Supportive services include the costs of providing a wide range of supportive services like health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, housing case management and other services necessary to ensure the housing stability of the program participant. All eligible activities and supportive services will be provided based on HUD guidelines.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>A low-income individual living alone, or as a head of household, or an eligible child residing with a parent or legal guardian who is HIV/AIDS positive is qualified to receive permanent tenant-based rental assistance. Applicants may be referred to the project sponsor by a participating HIV/AIDS service provider agency and be receiving HIV/AIDS case management. Applications will not be accepted directly from the applicant. All Clients may also receive HIV case management and related supportive services through State and federal (Ryan White) funded grantees in their area. The Department of Health selects the project sponsor(s) community-based support organizations that provide participants with case management and an array of supportive services ancillary services in conjunction with the rental subsidies. These agencies certify that each HOPWA participant receives required case management services and meets the criteria.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>The method of selecting project sponsors for HOPWA (Housing Opportunities for Persons With AIDS) involves issuing a Notice of Funding Availability (NOFA) along with a Request for Applications (RFA). This process allows interested organizations to apply for funding by submitting detailed proposals outlining their plans to provide housing and supportive services to individuals and families affected by HIV/AIDS. The NOFA/RFA mechanism ensures a competitive and transparent selection process where project sponsors are chosen based on their ability to meet program requirements, deliver effective services, and demonstrate capacity to manage HOPWA funds responsibly. This approach encourages a wide range of organizations, including grassroots, faith-based, and community-based entities, to participate and contribute their expertise to addressing housing stability and supportive care needs within their respective communities.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>All funds outside of administration funds (\$1,564,356) are allocated for rental assistance and supportive services to individuals and families affected by HIV/AIDS.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The participant's pay approximately 30% of their adjusted gross income. Rent cannot exceed Fair Market Rent.</p>

	What are the outcome measures expected as a result of the method of distribution?	The outcome measures are identified within the Annual Goals and Objectives section of this report (AP-20).
5	State Program Name:	Housing Trust Fund
	Funding Sources:	HTF
	Describe the state program addressed by the Method of Distribution.	Develop affordable rental housing units for families at or below 30% AMI and for people who are most vulnerable, including those with disabilities or other special needs. DCA will award only those projects that will provide housing to extremely low-income individuals and families with special needs.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applicant’s ability to obligate HTF funds and applicant’s ability to undertake eligible activities in a timely fashion:</p> <p>The best applications must substantiate the applicant’s experience in developing affordable housing, demonstrated financial ability to develop the project, experience with DCA and HUD programs, no outstanding issues with DCA/HUD, a feasible project budget and timeline which evidences that the project will be completed within two years of award.</p> <p>Priority based upon geographic diversity:</p> <p>This program seeks to encourage geographic diversity through “High Opportunity” neighborhoods, which are characterized by the following criteria - low municipal poverty level, the municipality is not on State Urban Aid list, accessible public transportation within one mile, and low municipal labor force unemployment rate.</p> <p>The merits of the application in meeting the State’s priority housing needs:</p> <p>Applicants should have experience in serving special needs populations, preferably be a nonprofit, include a service plan detailing how services will be provided on a voluntary basis to targeted special needs population (by applicant or by partner in formal Memorandum of Understanding) and 100% of units within the project will serve Special Needs population.</p> <p>The extent to which application makes use of non-federal funding sources:</p> <p>Applications that substantiate leveraging of non-public funds will receive preferential points.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>A total of \$4,831,128 (the grant amount less administration) has been allocated for housing production.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>Eligible project size shall be determined as follows:</p> <p>NJDCA shall provide capital financing and State Project Based Vouchers (PBVs) for projects up to 8 units (maximum). However, if warranted, at the sole discretion of DCA, additional units may be funded.</p> <p>The HTF funds will be provided as gap financing, using current HOME subsidy limits slightly adjusted upwards based on actual project costs in the State’s CDBG-DR Neighborhood Enhancement Program and Special Needs Housing Partnership Loan Program. The amount of funds reserved for a project will be based on the information provided in the HTF application via SAGE and will fund only the gap between project cost and other revenue.</p> <p>A project is eligible for the per-unit subsidy amount based on bedroom size multiplied by the by the number of units and project cost. Maximum award per project is calculated below in the HTF section of the Annual Action Plan. Maximum per unit subsidy by bedroom size will not exceed the following standards: Studio- \$250,000; 1-Bedroom \$350,000; 2-Bedroom \$430,000; 3-Bedroom \$500,000; 4-Bedroom \$570,000. The Department, at its discretion, may award less than the maximum subsidy.</p>
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What are the outcome measures expected as a result of the method of distribution?	The outcome measures are identified within the Annual Goals and Objectives section of this report (AP-20).
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Discussion:

N/A

AP-35 Projects – (Optional)

Introduction:

Planned Projects for the program year.

#	Project Name
1	CDBG: Administration
2	CDBG: Housing Programs
3	CDBG: Public Facilities & Infrastructure
4	CDBG: Economic Development
5	HOME: Administration
6	HOME: CHDO Reserves
7	HOME: Non-CHDO Development Activities
8	HOME: Tenant-Based Rental Assistance
9	HESG
10	HOPWA
11	HOPWA: Administration
12	HTF
13	HTF: Administration
14	RHP
15	RHP: Administration

Table 9 – Project Information

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG: Administration
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Improve community infrastructure and facilities Preserve existing affordable housing Support community & economic development programs
	Needs Addressed	Affordable Housing Community Revitalization Neighborhood Revitalization Economic Development
	Funding	CDBG: \$201,910
	Description	Administration
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Administration
2	Project Name	CDBG: Housing Programs
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Preserve existing affordable housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$1,500,000
	Description	Rehabilitate homes to preserve existing housing, including through emergency home repair.

	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	Rehabilitate 50 Homes, includes \$20,000 for one EHR (SF Housing Units)
	Location Description	Statewide
	Planned Activities	Rehabilitated homes to preserve existing housing, including through emergency home repair. This information will be updated when activities are selected.
3	Project Name	CDBG: Public Facilities & Infrastructure
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Improve community infrastructure and facilities
	Needs Addressed	Community Revitalization Neighborhood Revitalization
	Funding	CDBG: \$4,628,407
	Description	Thirteen Infrastructure and Facility Reconstruction Projects
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	Thirteen Infrastructure and Facility Reconstruction Projects
	Location Description	Statewide
	Planned Activities	Fund infrastructure and facility reconstruction projects. This information will be updated when activities are selected.
4	Project Name	CDBG: Economic Development
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support community & economic development programs
	Needs Addressed	Economic Development
	Funding	CDBG: \$400,000

	Description	Fund projects to eligible municipalities to pass to eligible nonprofits and for-profits.
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	One Project to eligible municipalities to pass to eligible nonprofits and for-profits
	Location Description	Statewide
	Planned Activities	Fund projects to eligible municipalities to pass to eligible nonprofits and for-profits. This information will be updated when activities are selected.
5	Project Name	HOME: Administration
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Increase supply of affordable rental & owner units
	Needs Addressed	Affordable Housing
	Funding	HOME: \$493,996
	Description	Administration
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Administration
6	Project Name	HOME: CHDO Reserves
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Increase supply of affordable rental & homeowner units and provide CHDO pre-development funds
	Needs Addressed	Affordable Housing

	Funding	HOME: 1,000,000
	Description	New homeowner and rental units
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	2 units will be developed.
	Location Description	Statewide
	Planned Activities	New homeownership and rental units. This information will be updated when activities are selected.
7	Project Name	HOME: Non-CHDO Development Activities
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Increase supply of affordable rental & homeowner units
	Needs Addressed	Affordable Housing
	Funding	HOME: \$745,964
	Description	New homeowner and rental units
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	Twelve units will be developed.
	Location Description	Statewide
	Planned Activities	New homeownership and rental units. This information will be updated when activities are selected.
8	Project Name	HOME: Tenant-Based Rental Assistance
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support rental housing & services for homeless
	Needs Addressed	Affordable Housing
	Funding	HOME: \$2,700,000

	Description	Provide funding for tenant-based rental assistance.
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	239 veterans, permanently disabled and elderly households will be supported.
	Location Description	Statewide
	Planned Activities	Provide funding for tenant-based rental assistance. The assistance will be reserved for veterans, permanently disabled and elderly households.
9	Project Name	HESG
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support rental housing & services for homeless
	Needs Addressed	Eliminate Homelessness
	Funding	ESG: \$3,398,884
	Description	Administration and shelter renovations, purchase of equipment and homelessness prevention and rapid re-housing activities
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	751 households and five shelters will be assisted.
	Location Description	Statewide
	Planned Activities	Administrative 254,916 (\$75,000 is for HPRP grantees and \$179,916 DCA Admin) Shelter 1,572,000.00 HPRP 1,571,968
10	Project Name	HOPWA
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities

Goals Supported	Support rental housing & services for homeless
Needs Addressed	Eliminate Homelessness
Funding	HOPWA: \$1,724,737
Description	HOPWA enables eligible persons with HIV/AIDS and their families to secure decent, safe and sanitary housing in the private rental market and provides rental assistance, all eligible activities and services per HUD guidelines
Target Date	7/1/2024
Estimate the number and type of families that will benefit from the proposed activities	168 households will be assisted.
Location Description	Statewide

	Planned Activities	HOPWA funds are versatile in addressing various forms of housing to prevent homelessness, including emergency housing, shared arrangements, apartments, single room occupancy (SRO) dwellings, and community residences. As stipulated by CFR § 574.310(a), supportive services must accompany HOPWA-assisted housing, although funds can also be allocated independently for service provision. These funds support a broad spectrum of activities, including housing counseling, resource identification for housing assistance, facility acquisition and rehabilitation, new construction for SRO dwellings and community residences, project- or tenant-based rental assistance, short-term financial aid to prevent homelessness, and an array of supportive services such as health care, mental health services, drug and alcohol abuse treatment, and assistance in accessing government benefits. HOPWA funds also cover operational expenses, technical assistance for community residences, administrative costs, and allow for additional activities proposed and approved under competitive grants by HUD. This flexibility ensures that HOPWA effectively addresses the diverse needs of individuals and families at risk of homelessness due to HIV/AIDS-related challenges. All eligible services and activities are subject to change based on HUD guidelines
11	Project Name	HOPWA: Administration
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support rental housing & services for homeless
	Needs Addressed	Eliminate Homelessness
	Funding	HOPWA: \$191,637
	Description	Administration
	Target Date	1/7/2024

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Administration
12	Project Name	HTF
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Increase supply of affordable rental units
	Needs Addressed	Affordable Housing
	Funding	HTF: \$4,831,128
	Description	Increase the supply of affordable rental units for extremely low-income households.
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	20 units will be developed.
	Location Description	Statewide
	Planned Activities	Increase the supply of affordable rental units through development for extremely low-income households. This information will be updated when activities are selected.
13	Project Name	HTF: Administration
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Increase supply of affordable rental units
	Needs Addressed	Affordable Housing
	Funding	HTF: \$536,792
	Description	Administration
	Target Date	7/1/2024

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Administration
14	Project Name	RHP
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support rental housing & services for homeless
	Needs Addressed	Eliminate Homelessness
	Funding	RHP: \$975,314
	Description	Provide temporary rental assistance to households recovering from substance abuse provided temporary rental housing
	Target Date	7/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	One recovery house created.
	Location Description	Statewide
	Planned Activities	Provide temporary rental assistance to households recovering from substance abuse provided temporary rental housing. This information will be updated when activities are selected.
15	Project Name	RHP: Administration
	Target Area	State of New Jersey CDBG - Non-Entitlement Communities
	Goals Supported	Support rental housing & services for homeless
	Needs Addressed	Eliminate Homelessness
	Funding	RHP: \$51,332
	Description	Administration
	Target Date	7/1/2024

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Administration

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State’s Process and Criteria for approving local government revitalization strategies

State law enables municipalities to declare an “area in need of redevelopment” and an “area in need of rehabilitation.” DCA’s Office of Local Planning Services reviews each proposed such area, regarding compliance with the statutory requirements.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

CDBG-Small Cities awards are directed toward eligible municipalities throughout the State (please see attached list). HOPWA rental assistance is accessible and not limited to Atlantic, Cape May, Cumberland, Mercer, Salem, and Warren counties. With HUD guidelines ensuring eligibility across all 21 counties in New Jersey. Furthermore, additional formula funds are allocated through a competitive and transparent process facilitated by the New Jersey Department of health for Administering Grants Electronically (SAGE). Therefore, the specific allocation of these funds among counties cannot be forecasted in advance, as it hinges on the results of this competitive allocation process. Other formula funds are distributed through a competitive, open process via the Department of Community Affairs' System for Administering Grants Electronically (SAGE) and, therefore, the ultimate geographic distribution of these funds cannot be predicted.

The State is committed to the development of affordable housing in areas of high opportunity by scoring points for projects in these areas.

Geographic Distribution

Target Area	Percentage of Funds
State of New Jersey	100
CDBG - Non-Entitlement Communities	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

N/A

Discussion

Except for the CDBG Program, the State does not have a geographic targeting strategy, in so far as it does not select areas of the state that will be exclusively awarded funding through the ESG, HOME, and HTF programs. The State is committed to the development of affordable housing in areas of high opportunity by scoring points for projects in these areas.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Below are the affordable housing goals.

One Year Goals for the Number of Households to be Supported	
Homeless	419
Non-Homeless	431
Special-Needs	169
Total	1,019

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	239
The Production of New Units	14
Rehab of Existing Units	80
Acquisition of Existing Units	0
Total	333

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

Table 1 Breakdown:

Homeless: 419

414 households assisted with rapid re-housing

5 shelters

Non-Homeless: 431

12 rental units rehabilitated or constructed

20 homeownership units developed

80 households provided with homelessness prevention assistance

20 rental units rehabilitated

60 households

239 households provided with tenant based rental assistance

Special-Needs: 169

168 households diagnosed with HIV/AIDS provided with rental assistance

1 recovery house created

Table 2 Breakdown:

Rental Assistance: 239

239 households provided with long-term tenant-based rental assistance

The Production of New Units: 14

2 homeownership units developed

12 rental units

Rehab of Existing Units: 80

80 households

Rehab of existing units is included in acquisition

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

Actions planned during the next year to address the needs to public housing

This section describes DCA's efforts as a public housing authority (PHA) to meet the needs of renters receiving housing assistance.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

DCA will continue to promote the following programs to Housing Choice Voucher Program participants. DCA hired a director to develop new strategies to engage more households to participate in program.

The Section 8 Homeownership Program allows families who are receiving Section 8 rental assistance to use that assistance to help pay the mortgage on a home they buy. In FFY 2024, 2 new program participants will become homeowners.

To qualify the family must:

- Be a first-time homebuyer;
- Be employed full time for at least one year with a minimum earned income of \$25,000 (except elderly and disabled for whom the minimum income requirement is 12 times the monthly SSI/SSD amount); and
- Have a credit score of at least 670 and successfully complete homebuyer housing counseling.

The Family Self-Sufficiency Program (FSS) assists low-income tenants to build assets and increase their earnings so that they can better meet their families' needs and become independent of welfare assistance. As part of the program, DCA establishes an interest-bearing FSS escrow account for each participating family. An escrow credit, based on increases in earned income of the family, is credited to this account during the five-year term of the FSS contract.

If the PHA is designated as troubled, describe the manner in which financial assistance will be

provided or other assistance.

N/A

Discussion:

N/A

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

New Jersey will continue its Continuum of Care approach to address and identify the needs of the homeless. This includes programs and services addressing each stage of the homeless continuum: homeless prevention, rapid re-housing, emergency shelter, temporary housing assistance, and permanent supportive housing programs.

Homelessness Prevention: The State of New Jersey will continue to provide temporary financial assistance to low and moderate-income homeless households at imminent risk of homelessness due to a rental eviction through the Homelessness Prevention Program (HPP). The HPP can provide the following types of assistance:

- **Rental Arrears:** a maximum of 3 months back rent plus any court fees, legal fees, and other late fees included as rent in a written lease.
- **Relocation:** security deposit of up to 1 ½ months' rent and 2 months' rent.

Emergency Solutions Grant: The State of New Jersey will continue to provide rapid re-housing assistance through the Homelessness Prevention and Rapid Re-Housing Program to homeless households with incomes at or below 30% of the Area Median Income (AMI). Rapid re-housing assistance includes financial assistance, case management, housing search and placement, credit repair, money management, and budgeting.

The Office of Homelessness Prevention (OHP) will continue to work with State and local government as well as private organizations to improve the coordination of services for those people either experiencing homelessness or facing imminent risk of homelessness. Over the next year, OHP will continue working on the Diversion Assistance Pilot which provides funding to divert families and individuals from homelessness as part of a larger problem-solving prevention strategy. The grant includes flexible funding to assist a household at imminent risk or currently homeless to retain or obtain a safe stable living situation and avoid or exit homelessness. Diversion is a strategy, recognized as a best

practice. Diversion uses progressive problem-solving to help households identify an alternative to shelter. As needed, the program provides financial assistance to secure a safe alternative to shelter. The intent is to avoid the trauma of homelessness, and the inherent disruption to work, school, and community life.

Additionally, the Office has deployed its Rural and Suburban Outreach program, which provides additional Street Outreach capacity for non-profit partners in the eight (8) most rural counties in New Jersey to facilitate direct unsheltered outreach and mobile case management assistance to persons living in encampments and other unsheltered conditions throughout the state.

The Office of Eviction Prevention (OEP) is responsible for coordinating efforts among non-profit community-based and social services agencies, private organizations, and State and local government agencies to prevent evictions. OEP oversees programs and services in eviction prevention in support of at-risk low-income tenants which include rental assistance programs, social services case management or diversion, and access to no-cost quality legal advice or representation. The Office also handles general inquiries about landlord-tenant rights and responsibilities, publishes the bi-annual Truth in Renting Guide, disseminates information about landlord-tenant and eviction prevention resources, and performs direct outreach to tenants, landlords, and to landlord-tenant court vicinages. By legislative mandate, (PL 2021 c 188) OEP was created to oversee the implementation and administration of the COVID-19 Eviction Prevention Program (EPP).

Due to the AP-65 limitations for narrative input, a PDF of this section has been uploaded to the AD-26 Grantee Unique Appendices.

Addressing the emergency shelter and transitional housing needs of homeless persons

The State will continue to provide funds to maintain shelter facilities through the ESG Program. The program provides funding to do the following:

- Address life and safety issues in emergency shelters and transitional housing facilities

designated for domestic violence and aging out youth.

- Purchase equipment and furnishings that will provide direct benefits to the shelter's residents.
- Create new emergency shelter beds when needed.

DCA and the State Parole Board will also continue the Another Chance program. The program expands housing resources available to inmates released from prison without a stable living arrangement. The program provides temporary housing assistance (up to 6 months) to offenders being released from designated Department of Corrections' facilities that do not have an approved residence of record. The program is currently operating in Camden, New Brunswick, and Trenton.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The State will continue to apply for HUD Continuum of Care grants to provide rental assistance to homeless persons with disabilities, in collaboration with local social service providers. Funds for this program have been granted in Atlantic, Burlington, Cape May, Essex, Gloucester, Morris and Passaic, Counties. In addition, the State, through the Homelessness Prevention and Rapid Re-Housing Program will continue to provide rapid re-housing assistance to households with annual incomes up to 30% of the AMI.

Rental assistance will continue to be provided to people who are homeless and working towards self-sufficiency through the Housing Choice Voucher, State Rental Assistance, and the HOME Tenant-Based Rental Assistance programs.

DCA also administers 1,215 Veterans Administration Supportive Housing (VASH) vouchers and 273 project-based Housing Choice Vouchers for homeless and at-risk veterans. DCA has also committed rental assistance to the Keeping Families Together Initiative with the Department of Children and Families (DCF). This program targets rental assistance and supportive services to extremely vulnerable

families who are homeless or live-in unstable housing, and who are involved with the child welfare system. The goal is to ensure that children are not removed from their families, or that families can reunify, with stable housing and services designed to support their tenancy. DCA committed a total of 600 vouchers to this program. In addition, DCA committed 100 vouchers for homeless and at-risk youth and 25 project-based vouchers for households referred by DCF that need housing to maintain their children or for family re-unification.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

See above.

Discussion

N/A

AP-70 HOPWA Goals – 91.320(k)(4)

One-year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	168
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	168

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

There are State and federal issues affecting the availability of affordable housing. Barriers to affordable housing include outdated local land use regulations, site and subdivision standards, development standards, lengthy and complex permit processes, and exclusionary zoning.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

1. In New Jersey, land use is regulated almost exclusively at the local level. However, the State has developed policies where possible to increase access to affordable housing and provides land use planning assistance to help municipalities modernize their master plans and land use ordinances.
2. Continue to partner with HMFA to provide credit counseling to very low-income and low-income Section 8 households interested in becoming homeowners. In addition, DCA through its Homelessness Prevention and Rapid Re-Housing Program is providing credit counseling to eligible households with incomes of 30% or less of the AMI.
3. Continue to apply for additional competitive vouchers through the Family Unification Program, the Veterans Affairs Supportive Housing Program, and the Mainstream Voucher Program.
4. Continue to promote the development of affordable housing in areas of low poverty and high opportunity through incentives identified in the Low-Income Housing Tax Credit Program Qualified Allocation Plan as administered by HMFA.
5. Promote the development of an educational effort to address NIMBYism and build support for and neutralize opposition to affordable housing.
6. Promote the development of transit-accessible, pedestrian friendly, and environmentally responsible communities within easy reach of employment opportunities in the design of affordable housing.
7. Continue to place a high priority on the long-term preservation of existing, viable affordable housing stock.

8. Through DCA's Division of Local Planning Services, provide technical planning assistance to help municipalities modernize their master plans and land use ordinances.

Discussion:

N/A

AP-85 Other Actions – 91.320(j)

Introduction:

The following are the State's strategies to address underserved populations, to foster and maintain affordable housing, to reduce lead-based paint hazards, to remove barriers and to assist families at or below the poverty level.

Actions planned to address obstacles to meeting underserved needs.

The following sections describe the State's planned actions to address issues related to meeting underserved populations, fostering and maintaining affordable housing, reducing lead-based paint hazards, reducing the number of poverty-level families, developing institutional structure, and enhancing coordination between public and private housing and social service agencies.

Actions planned to foster and maintain affordable housing.

DCA will continue efforts to foster and maintain affordable housing by the doing the following:

1. Continue to enhance local capacity building of non-profits and CHDOs and serve disadvantaged and under-served areas.
2. Continue to meet and provide technical assistance to new developers interested in applying for funding.
3. Continue to work with units of general local government so that nonprofits and businesses will be able to receive grants.
4. Continue to collaborate with HUD, various state departments and agencies such as the New Jersey Housing and Mortgage Finance Agency, New Jersey Redevelopment Authority, and New Jersey Economic Development Agency to sponsor training and technical assistance for local officials to increase knowledge of and access to available State and federal programs and resources.
5. DCA has partnered with the New Jersey Department of Human Services – Division of Medical Assistance and Health Services (DMAHS) via a Memorandum of Agreement (MOA) to create the New Jersey Healthy Homes Initiative (NJHHI) for the acquisition, construction and/or rehabilitation of affordable rental units for the State's Medicaid members. This initiative is

being funded with \$100,000,000 from the American Rescue Plan Act (ARPA) Section 9817, also known as New Jersey's Home and Community Based Services (HCBS) Spend Plan.

6. In addition to using CDBG, ESG, HOME, HTF, and HOPWA funds to address the affordable housing need, continue to coordinate the use of all available resources such as the Low-Income Housing Tax Credit, and HMFA's Multi-Family Rental Housing Program to develop new affordable housing, as well as using the State's Affordable Housing Trust Fund (AHTF).
7. Continue to administer the state Housing Choice Voucher program and the State Rental Assistance Program (SRAP) to provide rental assistance to make housing affordable to low-income participants. Each of these programs contains a project-based voucher component to assist in the creation of new affordable housing.

Actions planned to reduce lead-based paint hazards.

The State has allocated \$180 million in American Rescue Plan Act (ARPA) funds to remediate and/or abate lead-based paint (LBP) hazards in approximately 8,000 residential units built prior to 1978. In addition, DCA will continue to administer the following three (3) lead programs:

1. Lead-Safe Home Remediation Grant Program, which has a goal to provide lead-safe remediation to 596 residential units.
2. Single-Family Home Remediation Grant Program with a goal to provide lead remediation and abatement to 299 residential units.
3. Lead Remediation and Abatement Program (LRAP) which has a goal to provide lead remediation and lead abatement services to 8,000 units.

Last November, DCA launched a Lead Abatement and Remediation Capacity Building Initiative to provide training to approximately 20 nonprofits and local government agencies that were interested in expanding their services to include lead abatement and remediation.

Actions planned to reduce the number of poverty-level families.

The State will continue to address the problem of poverty by providing emergency assistance. Such actions will include the following:

- Provide shelter, food, clothing, and social services to families in crisis.
- Support the development of permanent, transitional, and affordable housing, and shelter facilities.
- Provide health care to homeless people.
- Aid homeless runaway youth.
- Assist individuals who are mentally or physically impaired.
- Help victims of domestic violence.
- Provide low-income energy services.
- Administer rental assistance programs.
- Provide job training to low-income and homeless individuals.
- Provide funding for literacy education.

The State will also continue to support housing first/rapid-re-housing programs that move homeless households from shelters into permanent supportive housing with a level of services commensurate with their needs.

Actions planned to develop institutional structure.

The State addresses the needs identified in the Consolidated Plan through collaboration with other state agencies, and activities implemented by program partners, including units of local government, public housing agencies, and nonprofit, for-profit organizations.

DCA will continue its efforts to network with organizations that serve low-income and vulnerable populations through the Continuum of Care.

DCA will continue to coordinate initiatives, such as Housing First and Keeping Families Together, that bring together public and private resources and social services. In addition, the Office of Homelessness will implement comprehensive policies to reduce homelessness and expand access to the continuum of housing options. The Office of Homelessness will also coordinate collaboration between public and private stakeholders and operationalize the state's new Interagency Council on Homelessness to align

state and local efforts.

Actions planned to enhance coordination between public and private housing and social service agencies.

The State is committed to continuing its participation and coordination with federal, State, regional and local agencies, and with the private and nonprofit sectors to serve the needs of low-income residents. Government agencies and for-profit and nonprofit organizations all play a part in the provision of affordable housing, community development, and economic development. The State will continue to work with these entities to address New Jersey's housing and community development needs.

Discussion:

The State acknowledges that to successfully obtain and sustain housing for special needs populations there must be coordination between public and private housing and service agencies. The initiatives discussed above are a combination of government, community-based nonprofit organizations and private landlords.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
The State will not be using other forms of investment.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:
The State utilizes the Uniform Housing Affordability Controls (UHAC) (N.J.A.C. 5:80-26.1 et seq.) to determine resale prices and fair return on investment. The fair return on investment includes the homeowner's original investment at the time of closing plus any increase in the market value of the property attributable to capital improvements. The State determines affordability under the HOME Program by utilizing 95 percent of the median purchase price of the area based on the FHA Section 203(b) Mortgage Limit.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:
Same as above.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:
The State does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is being renovated with HOME funds.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).
DCA's HOME TBRA program preferences include: 1) veteran heads of households; 2) elderly heads of households at least 62 years old; and 3) permanently disabled heads of household.

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)). Seniors, veterans and people with disabilities are most likely to live on fixed incomes that cannot keep up with the increases in market rents. Preferring these groups helps to narrow the gap between the resources they receive and the resources they need to maintain stable and sustainable housing and services.
7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a). Not applicable.

Emergency Solutions Grant (ESG)

Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)
Grantees receiving funds to renovate an emergency shelter or transitional shelter will be required to meet the following standards:
 - Evidence that the environmental review requirements set forth in 24 CFR Part 58 have been satisfied and that the Grantee has received approval of the Request for Release of Funds or has been determined to be exempt from this requirement.
 - A Grant Management Plan indicating the personnel, by title, and their responsibilities for administering and implementing this agreement, and the professional services to be used on the project.
 - A plan describing the social services that will be provided to homeless clients in the shelter and transitional housing facilities.
 - Evidence that the Grantee has enough funding to complete the renovation from sources other than

those provided by this Agreement when additional funding is necessary to complete the activities.

- A report from a licensed professional architect or engineer that describes the structural conditions of the buildings. The report should identify the specific improvements that are required to make the building structurally sound, and the cost of such improvements.
 - Prior to undertaking any construction activity, the Grantee shall provide the Department with the following documents:
 - A detailed set of plans, specifications, and cost estimates certified by an appropriate licensed professional.
 - Documentation that all necessary titles, permits, and approvals to undertake the activities have been secured.
 - Construction agreements between Grantee and construction contractors.
 - The Grantee shall provide the Department with an annual certification, for a period of either 3 years (for capital expenses under \$100,000) or 10 years (for capital expenses over \$100,000), starting on the date that certification is issued to the Department confirming the completion of the work, stating that the shelter facilities have continued to be used for homeless purposes.
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system. All of the State CoCs use a HUD approved coordinated entry and assessment to ensure homeless individuals can move to permanent housing as quickly as possible.
 3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations). DCA utilizes a competitive Request for Proposal (RFP) process to solicit sub-grantees. Proposals are evaluated and ranked by a review committee comprised of DCA staff. Eligible entities are government agencies and nonprofit organizations. The RFP is posted on the Department of Community Affairs NJDCA System for Administering Grants Electronically (SAGE) system and electronic notices are sent out to all the State Continuum of Care contacts and to all the Municipal Clerks through DCAs Division of Local Governments Services newsletter. The SAGE site (<https://dcasage.intelligrants.com/Portal.asp>) includes detailed information on the States Program requirements, identifies eligible agencies, and provides contact information. DCA utilizes SAGE to review, approve and manage grants electronically.
 4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR

576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

NA, the State continues to meet the homeless participation requirement by consulting with homeless and formerly homeless households that are utilizing ESG funds to obtain housing stability.

5. Describe performance standards for evaluating ESG.

DCA utilizes the following performance standards for evaluating ESG Homelessness Prevention and Rapid Re-Housing grants:

- A minimum of 40 households will be assisted.
- A minimum of 28 households will be moved from emergency shelter to permanent housing in less than 90 days.
- A minimum of 12 households at risk of becoming homeless will have their housing stabilized.
- All participants will receive a minimum of 2 case management visits; at least one hour every 3 months.
- All participants will receive a minimum of 2 credit and budget counseling sessions; at least one hour every 3 months.

DCA utilizes the following performance standards for evaluating ESG Shelter grants:

- At least 25 persons will receive emergency housing during the grant.
- At least 75% of the beds in the shelter or transitional housing facility will be utilized per month.
- A van purchased with Shelter Support funds will be utilized at least 3 times per week transporting clients to medical appointments, employment opportunities, Laundromat, grocery store, day care, etc.
- The average length of stay in an emergency shelter will be no more than 6 months.
- The average length of stay in a transitional housing facility will be not less than 6 months.

Performance outcomes specific to the approved grant activities will be negotiated prior to the contract's execution.

Housing Trust Fund (HTF)

Annual Action Plan
2024

Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients.

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2).

If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The State will distribute HTF funds by selecting applications submitted by eligible recipients. Eligible recipients will be for-profit or nonprofit developers who demonstrate the experience and capacity to successfully undertake the proposed activities. Eligible recipients must demonstrate, through their own experience or through a formal partnership with other entities participating in the proposed project the following:

- Experience in developing affordable housing.
- Experience in managing affordable housing.
- Experience in working with the target population.
- Organization must be financially sound.
- Organization must be in good standing with the State of New Jersey Department of Community Affairs (DCA) and the U.S. Department of Housing and Urban Development (HUD).

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds.

If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

- Project must have all planning and/or zoning approvals secured at the time of submission.
- All financial sources must have written commitments.
- Project must provide housing to extremely low-income individuals, those earning 30% or less of the AMI as defined by the U.S. Department of Housing & Urban Development (HUD), and families with special needs.
- Project must be able to be completed within 3 years.
- Eligible project size shall be determined as follows: NJDCA shall provide capital financing and State Project Based Vouchers (PBVs) for projects up to 4 units (maximum)
- Projects must not be in a floodplain or environmentally sensitive area.
- Project units must be considered permanent housing, and no aspect of the lease can be contingent upon receiving social services.
- Developer fee must not exceed 8% of the project total development cost.
- Debt Coverage Ratio must be at least 1.2.

Project must be financially feasible.

Qualified applicants must submit the following documents in support of their organizational eligibility:

- Articles of Incorporation.
- Certificate of Good Standing.
- Proof of site control (Deed, Contract of Sale, Option Agreement, etc.).
- Original Sealed Resolution of support from the Board.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients.

Applicants' ability to obligate HTF funds and applicant's ability to undertake eligible activities in a timely fashion: Applications must substantiate their experience in developing affordable housing, demonstrate their financial ability to develop the project, have experience with DCA and HUD programs, have no loan findings or other outstanding issues with DCA/HUD, have a feasible project budget, and timeline which evidences that the project will be completed within two years of award.

Priority based upon geographic diversity: This program seeks to encourage geographic diversity through "High Opportunity" neighborhoods, which are characterized by the following criteria: low

municipal poverty level, the municipality is not on a State Urban Aid list, accessible public transportation within 1 mile, and low municipal labor force unemployment rate.

The merits of the application in meeting the States priority housing needs: Applicants should have experience in serving the special needs population, preferably be a nonprofit, include a service plan detailing how services will be provided on a voluntary basis to targeted special needs population (by applicant or by partner in formal Memorandum of Understanding) and 100% of units within the project will serve the special needs population.

The extent to which application makes use of non-federal funding sources: Applications that substantiate leveraging of non-public funds will receive preference.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Although the entire State is eligible, DCA reserves the right to distribute projects equitably throughout the state regardless of score.

In addition, to further the States commitment to the development of affordable housing in areas of high opportunity, applications will receive points for projects located in places with access to public transportation and other amenities.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The applicant's capacity and successful experience in developing and managing affordable housing projects will be crucial in ensuring that HTF funds are obligated quickly and that projects are successfully completed in a timely fashion. Applications will receive points for demonstrating the ability to meet the

following criteria:

- Applicant has experience in developing affordable housing.
- Applicant has demonstrated financial ability to develop the project.
- Applicant has experience with DCA and HUD program.
- Applicant has no loan findings or other outstanding issues with DCA or HUD
- Project timeline is feasible, and project will be completed within 3 years of award.
- Project budget is feasible and reasonable.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

NJDCA shall provide capital financing and State Project Based Vouchers (PBVs) for projects up to 4 units (maximum). This will ensure that the HTF units are affordable to extremely low-income families.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Projects must be financially feasible to receive funding. Applications will receive preference points for extending the affordability controls beyond the initial 30 years.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

To further the State's commitment to the development of affordable housing in areas of high opportunity, applications will receive points (maximum 31 out of 100) for projects located in places with

access to public transportation and other amenities. Proximity to DCA funded re-entry programs and the services they provide will be an important consideration in light of the State's articulated housing need with respect to this population and its ongoing investment in programs intended to reduce recidivism.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

While projects may apply for up to 100% of financing from the HTF funds, DCA will award points to projects that include evidence of leverage from other non-federal sources.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.

Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area. If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOMEs maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Subsidy amounts were tailored after the current HOME subsidy limits with some upward adjustment based on actual production costs in the States CDBG-DR Neighborhood Enhancement Program (NEP) and the States Special Needs Housing Partnership Loan Program (SNHPLP.) DCA also conducted comparative research of construction costs throughout the state and found the costs to be consistent with no large variations. Maximum award per project will not exceed \$1,000,000. Each entity may apply for only one project. One project per municipality will be funded.

The total subsidy shall be calculated as follows: the maximum per unit subsidy limits by bedroom MULTIPLIED the by the number of units. Applicants would be allowed to calculate total subsidy as follows (used for illustrative purposes):

Bedroom Size	STUDIO	1-BDR	2-BDR	3-BDR	4-BDR
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Maximum Per Unit Subsidy	\$250,000	\$350,000	\$430,000	\$500,000	\$570,000
Maximum Project Subsidy (8-unit with State PBV)	\$2,000,000	\$2,800,000	\$3,440,000	\$4,000,000	\$4,560,000

All maximum subsidies and awards shall be reviewed consistent with NJDCA’s underwriting standards and other criteria in addition to the calculations above. It should be noted that the Maximum Per Unit Subsidy Limits by Bedrooms are currently approved by HUD.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

The attached New Jersey HTF Minimum Housing Rehabilitation Standards shall apply to NJHTF assisted projects. The standards provide details on what work is required, how that work should be performed (methods), and what materials should be used. The standards refer to applicable codes and, in some circumstances, establish requirements that exceed the minimum requirements of codes. Methods and materials are specified in some of the incorporated applicable codes referenced on page 6. In addition, NJHTF Minimum Housing Rehabilitation Standards include language that provides detail on methods and materials. The rehabilitation standards address the following categories: health and safety; major systems; lead-based paint; accessibility; disaster mitigation; State and local codes, ordinances, and

zoning requirements; and inspectional areas and observable deficiencies from HUDs Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.

<https://www.state.nj.us/dca/divisions/dhcr/rfp/pdf/nhtfguideline.pdf?mniID=15386>

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

NA

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter “N/A.”

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

N/A

12. Refinancing of Existing Debt. Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

N/A

Discussion:

N/A

Attachments

Citizen Participation Comments

Grantee Unique Appendices

New Jersey National Housing Trust Fund Program MINIMUM HOUSING REHABILITATION STANDARDS

March 7, 2022 2 | Page New Jersey National Housing Trust Fund Program I. PURPOSE OF STANDARDS

1. The National Housing Trust Fund Rehabilitation Standards (known herein as the “HTF Standards”) are designed to outline the requirements for building rehabilitation for all New Jersey National Housing Trust Fund (NJHTF) funded housing projects. The HTF Standards are applicable to all NJHTF-funded rehabilitation projects. The HTF Standards, though a requirement specifically to the development entity in direct receipt of NJHTF funding, are written to provide guidance to all relevant members of a project development team. 2. The goal of the NJHTF program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed. 3. If a project is out of compliance with the HTF Standards, the grantee shall bring to the attention of NJHTF staff the specific portion of the project which does not comply, stating the reasons for non-compliance. NJHTF staff will make a determination as to whether an exception to the HTF Standards shall be granted. 4. Note: At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standards and codes change and are put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced. II. QUALITY OF WORK 1. Quality of Work: Grantees and developers shall ensure that all rehabilitation work is completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. Grantees and developers will employ best practice industry standards relating to quality assurance to verify all work completed. 2. Project Design Professionals a. Projects will be designed by licensed professionals. b. The project developer will formally contract with licensed architectural and engineering design professionals to provide appropriate professional services for each project. It is the responsibility of each licensed professional to assure that the scope of work is done in accordance with the generally accepted practices in their discipline, as well as designing the project to be in full conformance with all the applicable Federal, State and local codes. c. In addition, the architect or engineer will provide contract specifications which stipulate quality standards, materials choices and installation methods and standards. Such specifications may reference other appropriate standards set by different trades associations and testing agencies such as ASTM, Underwriters Laboratory (U/L), Tile Council of America,

Gypsum National Roofing Contractors Association (NRCA) Architectural Woodwork Institute, SMACNA, ASTM, AFME, etc. 3. By meeting the various code requirements as a minimum standard, together with the other standards herein or in attendant, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation. 4. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship. III. HEALTH AND SAFETY 1. If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. See Appendix A for a list of inspectable items and observable deficiencies, including the identification of life-threatening deficiencies (highlighted in red) for the property site, building exterior, building systems, common areas, and units. IV. SCOPE OF WORK DETERMINATION 1. In developing scopes of work, grantees and developers will work with NJHTF staff to ensure that all requirements under the HTF Standards are satisfied and that the proposed scope of work meets the goals of Part I above. V. EXPECTED USEFUL LIFE / REHABILITATION SCOPE & CAPITAL PLANNING 1. In developing scopes of work on housing rehabilitation projects NJHTF grantees and developers will consider the remaining expected useful life of all building components with regard to building long-term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (30 years) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than 30 years shall be considered for future replacement. 2. NJHTF Program does not require a Capital Needs Assessment (CNA) as multifamily projects of 26 units or more is currently an ineligible project type. a. If in the future projects of 26 units are eligible then CNAs are required pursuant to the NJHMFA Capital Needs (CNA) Guidance

http://www.nj.gov/dca/hmfa/media/download/tax/y15/tc_y15_capital_needs_assessment_guidelines.pdf

The industry standard period for CNAs is 20 years; however, project CNAs must be updated every five years during the life of the project to ensure projected capital needs through the 30-year HTF affordability period are anticipated and planned for. The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6-25. The second 5-year update will be done in year 10 and will cover years 11-30. 3. Once a scope of work has been developed by the grantee and their development team, the grantee must also develop a Capital Plan. Whether or not a particular building component has been replaced, repaired or otherwise updated as part of the rehabilitation scope of work, all building components and major systems must demonstrate adequate funding to be viable for at least 20 years, the length of the capital plan, with subsequent updates every five years during the 30-year affordability period. However, since NJHTF requires updates of the capital plan to be

performed every 5 years, replacement during that 20-year period will show up on the next 20-year capital plan which will be performed in year 5 of the project and cover years 6-25. During these 5-year capital plan updates, the project reserve contributions will be reviewed to ensure all future capital expenditures articulated in the capital plan are adequately funded through the 30-year affordability period. 4. Monthly replacement reserves contributions of at least \$50 per unit per month are required through the 30-year affordability period. If the initial 20-year capital plan (and/or any subsequent 5-year updates) indicate that replacement costs for the period exceed the amount generated by a \$50 per unit contribution, a higher per unit contribution will be required. 5. Grantees and their development teams should ensure that all building components are analyzed as part of a comprehensive effort to balance rehabilitation scope and capital planning in a way which maximizes longterm building performance as much as possible within the parameters of both development and projected operational funding available. VI. ENERGY EFFICIENCY 1. All NJHTF-funded projects shall be subject to the HUD CPD Green Building Retrofit Checklist included as Appendix B. As outlined in those standards, all projects will either achieve the target energy efficiency objectives of the standard or present an operational case for project sustainability pursuant to the financial structure of the project. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes. 3. Work performed that is considered Reconstruction is required to comply with EPA ENERGY STAR Version 3.0 standards. Reconstruction is defined as a project that where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied. Reconstruction may include repair, renovation, alteration or any combination thereof. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted. Reconstruction includes the replacement and / or improvement of all the major systems of the building, including its envelope. The building envelope is defined as the air barrier and thermal barrier separating exterior from interior space. For reconstruction projects, this could include either removing materials down to the studs or structural masonry on one side of the exterior walls and subsequently improving the building envelope to meet the whole-building energy performance levels for the project type, or creating a new thermal and air barrier around the building that allows the project to achieve building energy performance levels for the project type. Renovation, defined as a project that does not include major systems or building envelope work or the

removal and replacement or covering of existing interior or exterior finish, trim, doors, windows, or other materials with new materials that serve the same purpose and does not change the configuration of space. Renovation shall include the replacement of equipment or fixtures. Renovation will comply with the Green Building Retrofit Checklist as applicable. Any reference in this document related to repair/replacement of items mentioned in the Green Building Retrofit Checklist shall be treated as a requirement VII. DISASTER MITIGATION 1. To the extent applicable/relevant, the housing must be improved to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods, wildfires) in accordance with state or local codes, ordinances, and requirements, or such other requirements that HUD may establish. 2. Specifically regarding flood hazards: a. Projects shall meet FEMA federal regulation, and HUDs' floodplain management requirements at 24 CFR 55, including the 8-Step Floodplain Management Process (when applicable) at 24 CFR 55.20. b. Projects shall meet erosion prevention requirements per local municipality regulations. VIII. CODE COMPLIANCE AND APPLICABLE GOVERNMENT STANDARDS - Uniform Building Rehab Code – (NJURC) 1. All work shall comply with all applicable New Jersey State and local codes, ordinances, and zoning requirements. Key currently updated New Jersey State Uniform Construction Code (NJUCC) is located at <http://www.nj.gov/dca/divisions/codes/codreg/ucc.html> 2. The State of New Jersey maintains rehabilitation codes found in Title 5. Community Affairs Chapter 23. Uniform Construction Code Subchapter 6. Rehabilitation Subcode N.J.A.C 5:23-6 (NJURC) located at http://www.state.nj.us/dca/divisions/codes/codreg/pdf_reg/njac_5_23_6.pdf 3. The NJHTF grantee must demonstrate compliance with all state and local codes through project affiliation with professional design team drawing certification and/or other approved methods such as state inspector certification. 4. A code review analysis will be produced by the project's design professionals itemizing the applicable codes for each area of discipline. 5. The HTF Standards are designed to exceed the Uniform Physical Condition Standards (UPCS) and New Jersey State Uniform Construction Code (NJUCC) to ensure that upon completion, the HTF-assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703 and each project is in the best possible condition to meet this goal over its period of affordability (30 years) • Example #1: Furnace or boiler that is more than 10 years old or not high efficiency Energy Star type will be replaced • Example #2: Roofing will be replaced if older than 10 years. 6. New Jersey Uniform Construction Code – N.J.A.C. 5:23-6, (NJUCC) and The State of New Jersey Rehabilitation Code (NJURC) 7. The NJURC is the governing code by which the property repairs shall be judged. 8. Uniform Physical Condition Standards (UPCS) NEW WORK New addition to existing building, replacement equipment and appliances shall be in compliance with: 1. Uniform Building Rehab Code –

New Jersey (NJURC). 2. HUD CPD Green Building Retrofit Checklist for all appropriate items to the extent feasible. Energy Star Qualified Homes, Version 3 National Program, if applicable. REPAIR WORK Repairs are defined as the restoration to good, sound condition of materials, systems and / or components that are worn, deteriorated or broken using materials or components that are identical or closely similar to existing materials. There is no limit to the amount of repair work that can be undertaken. The following products and practices shall be required. 1. All toilets shall be replaced with water saving at a maximum of 1.28 gallons per flush per Green Building Retrofit Checklist. 2. Approved Blocking for ADA grab-bar(s) shall be installed in all bathrooms 3. ADA grab-bar(s) will be required on a project-by-project review 4. All windows and exterior doors are to be replaced, new units shall meet thermal values established by the Green Building Retrofit Checklist, windows shall be ENERGY STAR Certified for the climate. 5. Replacement glass shall comply with “safety glazing” in special hazardous locations 6. Electric wiring and equipment may be replaced with like materials except a. Replacement electrical receptacles shall comply with the electrical subcode. b. Plug fuses shall be replaced with circuit breakers. c. For replacement of non-grounding-type receptacles with grounding– type receptacles, the equipment grounding conductor shall be permitted to be connected in accordance with the electric code. d. Frames of outlets, junction boxes, electric ranges, clothes dryers that are part of the branch circuit of the appliance may be grounded to the grounded circuit conductor if all conditions of the electric Subcode are met. 7. Compliant accessible door hardware “lever type handles” are to be installed on all doors 8. Roofing work: Existing roof or roof covering shall be removed and replaced if the roof is currently 10 years old or older, the existing is asbestos-cement tile roof or the existing roof has two or more applications of any type of covering. RENOVATION WORK Renovation work is defined as “the removal and replacement or covering of existing interior or exterior finish, trim, doors, windows, or other materials with new materials that serve the same purpose and do not change the configuration of the space. Renovation shall include the replacement of equipment and fixtures: The following products and practices shall be required as applicable in addition to those listed above for a ‘repair’ condition. 1. Where a fireproofing material is removed, the material will be replaced to maintain the rating. 2. Air Sealing Building Envelope: Per Green Building Retrofit Checklist seal all accessible gaps and penetrations in the building envelope with low-VOC caulk or foam. 3. Air Barrier System - Ensure continuous unbroken air barrier surrounding all conditioned space and dwelling units. Align insulation completely and continuously with the air barrier. a. When the work being performed exposes the roof decking / sheathing or the framing of any wall, floor ceiling or ceiling assembly that is part of the building thermal envelope, and accessible voids in the insulation shall be filled using insulation meeting the R-values of

the IECC insulation requirements per the Green Building Retrofit Checklist b. In the event that insulation meeting the R-value cannot be installed due to space constraints, insulation that fills the framing cavity shall be provided. 4. Ducts that are newly installed or replaced shall be insulated per the Green Building Retrofit Checklist. Ductwork shall be sealed at all seams to meet or exceed ENERGY STAR for Homes' duct leakage standard. Additions New foundations shall be considered an addition and all work in that portion of the dwelling shall comply with code for new construction. ADDITIONAL CODE COMPLIANCE REQUIREMENTS Regardless of whether the work is categorized as repair, renovation or an addition: 1. No work shall cause diminution of structural strength, system capacity or mechanical ventilation below the initial condition or code; whichever is less. 2. The replacement of fixture, equipment or appliances shall not increase the system load unless the system is upgraded to accommodate the additional load. 3. No work shall cause a dwelling to be less accessible when a barrier free condition is in place. 4. Wood paneling shall not be installed as a wall finish. 5. Carpet used on flooring shall meet DOC FF-1 "Pill Test" (Consumer Product Safety Commission (16 CFR 1630), and per the Green Building Retrofit Checklist any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives. 6. Electrical component shall be UL listed. 7. The following plumbing products shall not be used: a. All-purpose solvent cement. b. Clear polybutylene piping. c. Flexible traps and tail pieces. d. Sheet or tube copper or brass tailpiece fittings less than 17 gage. e. Solder having more than .2 percent lead. 8. Bars, grilles or screens shall not be installed on egress windows unless they are readily removable without keys or special tools or force greater than it takes to open a window. 9. The following practices shall not be used on painted surfaces constructed prior to 1978 unless paint has been tested and found to be lead free: a. Open flame burning or high temperature stripping (1100 degrees). b. Power sanding or sandblasting unless HEPA filtered vacuum is used to contain dust. c. Uncontained water blasting or power washing. d. Dry scraping or sanding of more than 2 SF interior per room or 10 SF per building exterior. UNIFORM PHYSICAL CONDITION STANDARDS (UPCS) If the housing is occupied at the time of rehabilitation and upon completion, any lifethreatening deficiencies must be identified and addressed immediately. See Appendix A for a list of Inspectable Items and Observable Deficiencies, including the identification of life-threatening deficiencies (highlighted in red) for the property site, building exterior, building systems, common areas, and units. The Uniform Physical Condition Standards (UPCS) are included as part of this Rehabilitation Standard. Homes not complying with these minimum standards will be upgraded to comply. A checklist derived from the UPCS standards is included herein as Appendix A. The checklist expands upon the UPCS standards with a series of questions that the assessor will use to determine if the dwelling is meeting the

standard. The checklist includes questions like ‘are all beams sills and blocks free from termites or rot’ and ‘if the foundation is a slab is it free of cracks evidence in the interior or on the exposed exterior. Additionally, the checklist incorporates other specific questions not directly related to the UPCS but included in the program for code compliance or general safe, decent and sanitary conditions. These items include: Building Exterior 1. Is the foundation vented and insulated as needed 2. Electric service supply location 3. Electric service has a rating and a disconnect 4. Electric service has a minimum existing service of 100 amp 5. Disconnects for HVAC condensing unit should be located within reach of the unit 6. Exterior entrances should have a light fixture controlled from the interior 7. Other hazards not specifically noted elsewhere Building Interior 1. Smoke detectors located per code 2. If accessible, does the attic have insulation a. Are wiring connections in boxes or is wire exposed 3. Other hazards not specifically noted elsewhere Kitchen 1. Condition of countertops, cabinets, cabinet doors and shelves 2. Shut off valves Bath 1. Toilet shut off valve 2. Lavatory shut off valves Plumbing and Heating 1. Fuel storage location and lines 2. Does water heater have a shut off valve for water and fuel 3. Does home have a master water shut off valve PROJECT ARCHITECTURAL REHABILITATION DESIGN STANDARDS ACCESSIBILITY REQUIREMENTS 1. Housing that is reconstructed with HTF funds must meet all applicable federal and state regulations regarding accessibility for persons with disabilities. An overview of these requirements is provided below; however, the applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional. 2. General Requirements: a. Projects shall meet applicable Federal and State Regulations and Rules b. The number of accessible apartment units shall be determined by the code requirements c. Projects shall comply with the American’s with Disabilities Act (ADA), Title II (for public entities) and Title III (for places of public accommodations) implemented at 24 CFR parts 35 and 36, and 2010 ADA Standard for Accessible Design and attendant Design Guide (DOJ), as applicable d. Projects, if applicable, shall comply with the Fair Housing Act, which states in part that covered multifamily dwellings as defined by HUD’s implementing regulations at 24 CFR 100.201 must meet the design requirements at 24 CFR 100.205 3. Projects shall comply with other standards as may apply or be required by funding sources 4. Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8 a. For reconstruction (projects with 15 or more total units and the cost of rehabilitation is 75% or more of the replacement cost): i. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS) ii. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with sensory impairments. iii. Common spaces must be made accessible to the greatest extent feasible b. For

projects with “less-than- Reconstruction” (anything less than “Reconstruction”), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible. BUILDING DESIGN 1. The project developers are encouraged to draft an architectural program document outlining the goals for the project. 2. Building access – in general the access to a building shall be safe, logical, readily identifiable, sheltered from the weather, and meeting the exit requirements to a public way. Pathways of circulation within a building shall also be safe and logical. 3. Means of egress shall be in conformance with NJUCC, including complete layout of the exits, corridor and stair dimensional requirements and arrangement, doors sizes and swings, door hardware, panic exit devices, door self-closers, interior finishes, walking surfaces, fire separations, stair enclosures, guards and railings, ramps, occupant load calculations, illumination, and signage. 4. Apartment layout: a. Room sizes –minimum in accordance with NJUCC or local codes b. Kitchens – in general, for apartment buildings – each unit will have a functional and code-compliant kitchen c. Baths – in general, for apartment buildings – each unit will have a functional and code compliant bath 5. Storage – adequate clothes closets, pantry and general storage shall be provided. 6. Amenity Spaces - provision for laundry facilities, bike storage, trash & recycling, and other utility or common spaces may be made in accordance with the goals of the project program. The project developers are encouraged to consider adding such amenities as may be appropriate to enhance the livability of the housing for the tenants. 7. Solid Waste Disposal – provision shall be made to enable the tenants and property management staff to handle and store solid waste. 8. Existing outbuildings and utility structures which are being retained, shall be in sound and serviceable condition, and not create health, safety, or undue maintenance issues for the project. CONSTRUCTION STANDARDS a. Assure that the site is safe, clean and usable, and designed with details, assemblies and materials to provide ongoing durability without undue future maintenance. b. Site design and engineering shall be by a licensed professional civil engineer, or other qualified professional. c. Design and systems shall conform to all applicable codes, rules and regulations: i. Local and municipal zoning ii. New Jersey State Uniform Construction Code – current adopted edition iii. New Jersey State Uniform Construction Code Subchapter 6. Rehabilitation Subcode 1. Drainage – assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion. 2. Sewer connections to municipal sewage systems and on-site sewage disposal: a. Existing sewer laterals that are to be reused should be evaluated to assure that they are serviceable and have a remaining useful life of 30 years or are covered by the 20-year capital plan and/or subsequent 5- year updates during the 30-year affordability period. 3. Water service: a. Existing municipal water supplies to buildings shall be evaluated

to assure that they are serviceable, of adequate capacity and have a remaining useful life of 30 years or are covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. b. Assessor will verify that the dwelling has a main shut off valve at the point where water service enters the dwelling. Shut off valve shall be provided if it currently does not exist. 4. Vehicular access to public way – site design shall conform to local zoning regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety. 5. On-site Parking – parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required. 6. Pedestrian access and hardscape – In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code. 7. Site amenities – site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc. 8. Mailboxes - Provision will be made for USPS-approved cluster mailbox units if required by the USPS. 9. Landscaping – lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense. a. Planting choices specified should be low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity. 10. Solid waste collection & storage – if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code. 11. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways and will conform to local zoning. a. Energy efficient lighting shall conform to the HUD CPD Green Building Retrofit Checklist. 12. Fuel Storage – On site outdoor placement and storage of fuels per applicable regulations and utility requirements. 13. Underground or overhead utilities – as regulated by code and utility rules. FOUNDATIONS 1. Existing foundations shall be examined by qualified professionals a. Foundations to be adequately sized, free of broken components or deterioration which may compromise the load bearing structural integrity. b. Design and implement structural reinforcements or reconstruction as necessary. 2. Above-grade masonry unit block or brick shall be reasonably stable, plumb and sound with no missing units or voids. 3. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly. 4. Basement

floors: a. Mechanical rooms - Provide sound concrete floors with raised housekeeping pads for equipment. b. Tenant accessed utility spaces (storage, laundry rooms, etc.) – provide sound concrete floors. 5. No earthen floors are to remain, provide sound concrete floors 6. Moisture mitigation a. Water and damproofing – where possible and as may be required by existing conditions of groundwater and stormwater intrusion into subsurface portions of buildings, provide waterproofing or damp proofing as appropriate. b. Ventilation of basements and crawl spaces per NJUCC. MASONRY COMPONENTS 1. Buildings with masonry bearing walls shall be examined for their structural integrity. Existing masonry building components shall be examined to assure sound condition and repaired as necessary to provide the load-bearing capacity, resistance to water penetration, and aesthetic quality to assure the assemblies will perform for the purpose intended. a. Masonry shall be plumb, and structurally sound. 2. Repair or replace deteriorated portions or missing units. a. Brick veneer shall be sound or repaired to be sound. 3. Masonry mortar joints shall be sound, and free of loose or deteriorated mortar, with no voids. a. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly and prevent water intrusion. 4. Chimneys a. Assure structural integrity, reconstruct, and point as necessary b. If used for fuel heating appliances – provide lining as may be required by code and as prescribed by the heating appliance manufacturer.

STRUCTURE 1. A qualified professional shall examine each building's load bearing structure and assess its existing condition to determine suitability of continued use. 2. Deficiencies identified shall be addressed and repairs designed and specified as necessary to correct such conditions: a. Repairs shall be made to any deteriorated load-bearing structural elements. b. Reinforce, install supplemental or replace structural members determined not to be adequate for use. ENCLOSURE - SHELL 1. Roofing a. Existing i. Roofing will be replaced if older than 10 years. ii. Examine existing roofing and flashing systems to determine suitability for continued use. Continued life expectancy of existing roofing should be a minimum of 30 years or covered by the 20- year capital plan and/or subsequent 5-year updates during the 30- year affordability period. iii. Repair existing roofing as required. When repair is in excess of 30% replace roof. iv. When more than 2 roofs are previously installed, all existing roofing shall be removed, and new assembly will be provided. b. New Roofing i. New roofing shall be installed where existing roofing does not meet requirements for continued use. ii. New roofing system components shall be compatible, and include the nail base, the underlayment layer of 30-lb. felt, ice & water shield self-adhesive membrane flashings, metal flashings and roofing. • Strip existing roofing and dispose of properly. • Examine exposed existing substrate for structural soundness • Install new roofing system per

code, trade practices, and manufacturer specifications. • Flashings – deteriorated flashings shall be replaced, and the weatherproof integrity of the roof system shall be assured.

c. Ventilation i. Roof assemblies shall be properly ventilated in accordance with applicable code requirements. 2. Exterior Finishes a. Cladding i. Wood Siding – • Examine existing siding for soundness – shall be free of major cracks, rot, and other deterioration which may compromise its useful life and be suitable to hold exterior paint. • Siding shall be free of gaps and holes and provide continuous weatherproof system. • Repair or re-side as necessary to provide a weather resistant enclosure. ii. Masonry • Masonry bearing walls and veneers shall be restored as necessary iii. Other existing cladding system types and materials shall be repaired and/or restored in-kind with matching or similar materials to provide a durable weather resistant enclosure. 3. Trim – Exterior trim and architectural woodwork. a. Existing wood trim: i. Existing trim to remain must be sound, free of defects and deterioration which compromises its use. ii. Repair and restore trim to usable condition. Patch or replace in kind any deteriorated wood trim components. b. New wood trim shall be installed in a workmanlike manner. c. Other trim materials which are suitable may be used as appropriate and shall be installed per manufacturer’s recommendations. d. Trim which is part of the weather tight enclosure shall be flashed or caulked with joint sealers as necessary to prevent water intrusion. 4. Paint a. In general, all existing exterior wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint and/or the sound condition of existing coatings b. Examine surfaces and apply paint only to sound acceptable materials / surfaces. i. Prepare surfaces properly, removing loose or peeling previous paint. ii. Paint prep shall be done in accordance with applicable lead safe standards. c. Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied. d. Exterior paint systems shall be compatible and installed in accordance with manufacturers’ specifications. 5. Porches, decks and steps Existing porches, decks, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. a. Inspect structure for soundness and reconstruct any deteriorated members as required. b. Install new support piers as may be required. c. Patch existing decking with matching materials or install new durable decking. d. Railings shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate. e. Railings shall meet code requirements for height of protective guards, or have supplemental guards installed. f. Steps shall be safe and sound and meet applicable codes, with railings as necessary. g. All porch elements shall be able to withstand the weather

elements to prevent premature deterioration. ENCLOSURE – THERMAL 1. Energy Efficiency - In general, most buildings will be rehabbed with a goal of increasing the thermal shell efficiency. a. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes. 2. Insulation b. Insulation levels shall conform to the NJUCC c. Masonry walls shall be insulated utilizing current building science detailing to ensure ongoing integrity of masonry systems d. General: All insulation to have a flame-spread rating of 25 maximum and a smoke-developed rating of 50 maximum. Installation of all insulation shall comply with Energy Star Grade 1. e. Roof/Ceilings: Use formaldehyde free, un-faced, R-38 rolled fiberglass or mineral wool batt insulation or R-38 blown-in fiberglass or mineral wool insulation material. Provide insulation baffles at roof to accommodate venting. For attics with closed floor cavities directly above a conditioned space, blow in insulation as 18 | P a g e per manufacturers specifications to a min. density of 3.5 Lbs. per CF. f. Exterior Walls: Use formaldehyde free, un-faced, R-13 fiberglass or mineral wool batt insulation material. g. All voids around windows, exterior doors, and wall penetrations to be filled with foamed-in- place high density thermal insulation (poly cell). Do not use products containing Urea Formaldehyde. h. Use baffles around all heat sources and at the plywood deck between the joists. 3. Indoor air quality a. In general, all thermal upgrades to a building will take into consideration indoor air quality and moisture control/mitigation and apply the current state of the art building science in this regard. Treatment of existing stone, concrete or masonry basement walls, and of existing basement earthen floors or uninsulated basement slabs will be taken into consideration with regard to the need for moisture mitigation. 4. Ventilation a. Venting of crawl spaces, attics and sloped ceilings shall be per code. DOORS 1. General a. Meet egress requirements for dimensions, swing and clearances, and be accessibility compliant as required. b. Be sound and secure. c. New doors shall be installed per manufacturers’ recommendations and standard trade practice standards. d. All doors shall be equipped with lever type handles. e. Bathroom and bedroom doors shall be equipped with privacy locks. f. Flash properly and have shim spaces insulated. g. Existing doors to remain should be examined and determined to be suitable for reuse with a remaining life after restoration of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. iv. Restore as required to provide useful life. v. Shall be tested and modified as necessary to operate properly. vi. Install new weather stripping and sweeps to provide seal against weather elements and air infiltration. 2. Apartment doors a. Apartment unit entry doors shall be fire rated as required. 3. Other doors – Access doors shall meet code requirements for fire rating. 4. Door hardware shall operate properly, be secure and shall meet accessibility standards WINDOWS 1. All windows will be replaced if

older than 5 years. 2. Windows shall be of legal egress size when required by code a. Existing windows which are non-conforming egress size shall meet the Rehabilitation Subcode N.J.A.C 5:23-6 3. Existing windows: 4. Existing windows to remain should be examined and determined to be suitable for reuse with a reasonable remaining life after restoration of 30 years without undue future maintenance or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. a. Capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project. b. Install new weather stripping to provide seal against weather elements and air infiltration. c. Air seal shim spaces and window weight pockets if possible. d. Restore and modify as required to provide useful life. e. Shall be tested and modified as necessary to operate smoothly and properly per code. f. Hardware shall be intact and operational or be replaced with new hardware as required 5. New Windows: a. Where existing windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows. b. Per the Green Building Retrofit Checklist new windows must be ENERGY STAR Certified for the climate. c. All windows shall be installed per manufacturer's installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques. INTERIOR FINISHES 1. In general, all interior finishes will be new and installed per manufacturer's recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade. 2. Walls & ceilings a. Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no less than 30 years or covered by the 20- year capital plan and/or subsequent 5-year updates during the 30-year affordability period. 3. Flooring a. Existing wood flooring in good condition should be repaired, sanded and refinished. b. All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer's specs and the trade association practices. c. Environmentally Preferable Flooring: i. When replacing flooring, use environmentally preferable flooring, including the FloorScore certification. Any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives. 4. Trim - Wood trim and architectural woodwork a. Existing trim shall be repaired and restored to usable condition, free of deterioration which compromises its use. Repair of historic woodwork & trims shall be in accordance with the Secretary of the Interior's "Standards for Rehabilitation" project requirements. b. New wood trim shall be installed in a workmanlike manner. Reference may be made to AWI standards. 5. Paint - In general, all interior ceiling, wall, and trim

surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer's recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner. a. Low/No VOC Paints and Primers: SPECIALTIES 1. Toilet accessories – each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements where necessary. 2. Medicine cabinets and mirrors – install in each apartment bath as appropriate. 3. Signage and identification – building signage shall be provided as appropriate: 4. Exit signage will be provided as required by code and be accessibility compliant as required. 5. Fire protection specialties – provide fire extinguishers in buildings, and in apartments as required by code and/or by state or local fire authorities. 6. Shelving – provide durable, cleanable shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place. 21 | P a g e

EQUIPMENT 1. All new equipment to be ENERGY STAR® rated. 2. Existing equipment to be retained and continued to be used shall be in serviceable condition with an expected useful life of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30- year affordability period. 3. Kitchen appliances – a. Provide new, full-size (30”, 4 burner) stove and refrigerator in each apartment. b. Existing appliances to be reused shall be in good and serviceable condition. c. Provide other appliances (such as microwaves) as may be appropriate to the project. d. All appliances in accessible apartment units shall be accessibility compliant and located in an arrangement providing required clear floor spaces. 4. Laundries –where adequate space is available and when appropriate to meet the project goals, washers and dryers may be provided in laundry rooms or in apartments. 5. Solid waste handling – Provide trash and recycling receptacles as appropriate to enable the tenants and property management staff to handle and store solid waste. FURNISHINGS - CASEWORK 1. Kitchen cabinetry and counters a. Existing cabinetry and/or countertops proposed to remain shall be in good condition with a remaining useful life of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. b. New cabinetry i. Shall be of good quality, Factory built pre-finished cabinets Average grade particleboard box construction with simulated wood grain veneer on interior. Recessed panel doors, drawer fronts; face frames of hardwood construction; veneer/ply toe kicks. Hardware consists of concealed hinges and side mount drawer hardware ii. New counters shall be provided with a cleanable sanitary surface material impervious to water such as high-pressure laminate (HPL). iii. Shop fabricated as one-piece assembly where possible. Seal field joints. iv. Installed level and securely fastened to cabinetry c. Bath cabinetry and counters – vanity lavatory tops, when used, should be one-piece integral bowl with integral backsplash SPECIAL

CONSTRUCTION 1. Hazardous materials and remediation – 2. Asbestos – project will be assessed for the existence of asbestoscontaining building materials by qualified professionals: a. National Emission Standards for Hazardous Air Pollutants (NESHAP) apply. b. Removal of asbestos shall be carried out per Federal EPA and State regulations and rules. 3. Lead - Health and Safety and Lead Safe Housing: a. Lead-Safe Work Practices b. For properties built before 1978, if the project will involve disturbing painted surfaces or cleaning up lead contaminated dust or soil, use certified renovation or lead abatement contractors and workers using lead-safe work practices and clearance examinations consistent with the more stringent of EPA's Renovation, Repair, and Painting Rule and HUD's Lead Safe Housing Rule. c. Lead-Based Paint i. Federal and state regulations related to lead-based paint apply to target housing, which is defined as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless a child of less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling. Rehabilitation of target housing must be completed in a manner which insures the health and safety of workers and residents, especially children. A number of regulations apply when lead painted surfaces are disturbed in residential properties, primarily requiring the appropriate training of workers and the use of safe work practices. In some cases, use of federal funds for rehabilitation will trigger a higher level of lead paint treatments based on the amount of federal money being used. The following regulations must be adhered to during all rehabilitation of target housing: ii. HUD Lead Safe Housing Rule (Title 24, Part 35) requires various levels of evaluation and treatment of lead paint hazards when federal money is used for rehabilitation of target housing. More information is available at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr 23 | Page

iii. EPA Renovation Repair and Painting Rule (40 CFR Part 745) – Requires contractors conducting renovation, repair or maintenance that disturbs paint in target housing or childoccupied facilities to be licensed by EPA and use lead-safe work practices to complete the work. Developers must ensure contractors are properly trained and licensed. More information is available at:

<http://www2.epa.gov/lead> iv. HUD/EPA Disclosure Regulations (Title 24, Part 35, Subpart A) – Requires owners of target housing to disclose all lead paint records and related information to potential buyers and/or tenants. More information is available at:

http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_12347.pdf v. OSHA Lead in Construction Rule (29 CFR Part 1926.62) - Proscribes personal protection measures to be taken when workers are exposed to any lead during construction projects. More information is available at:

https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=10641 vi.

State of NJ TITLE 5. COMMUNITY AFFAIRS CHAPTER 17. LEAD HAZARD EVALUATION AND ABATEMENT CODE - seeks to provide and ensure public safety, health, and welfare insofar as they are affected by the identification and abatement of lead-based paint hazards and controls the abatement of leadbased paint hazards and the certification of lead-based paint hazard evaluation or abatement contractors.

More information is available at: http://www.state.nj.us/dca/divisions/codes/codreg/pdf_regs/njac_5_17.pdf

CONVEYANCE SYSTEMS 1. Elevators may be installed when appropriate and possible, when such elevator is part of the project's program goals, or as required by code. 2. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with an expected useful life of 30 years or covered by the 20-year capital plan and/or subsequent 5- year updates during the 30-year affordability period and approved by agencies having jurisdiction.

MECHANICAL 1. General: a. All mechanical systems shall be designed by a mechanical engineer or other qualified professional. b. Energy efficiency: i. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes. c. All mechanical systems shall meet all applicable codes: d.

Plumbing fixtures will be accessibility compliant as required 2. Fire protection a. In general, all buildings assisted with HTF funds shall have fire suppression as required by applicable codes with approved sprinkler systems installed as required b. Where possible, piping for the sprinkler system shall be concealed.

3. Plumbing a. Hot water heaters (HWH) that are more than 10 years old or not High Efficiency Energy Star type will be replaced b. HWH will be replaced if rust stains, or damage is noted. c. A fuel shut off valve shall be provided adjacent to the unit if none currently exists. d. A supply water and output water valve shall be provided to the unit if none currently exists. e. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. Substandard or critical non-code compliant components shall be replaced. f. All toilets and fixtures are to be replaced with water-conserving fixtures per the HUD CPD Green Building Retrofit Checklist. g. All fixtures, piping fittings and equipment shall be lead-free. h. Three and four-bedroom apartments are encouraged to be designed to include 1½ baths minimum where adequate space is available. i. Provision for laundry rooms or laundry hook-ups may be made per project's program requirements. j. Provision for other utility plumbing including but not limited to janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required. 4. Heating and Air Conditioning a. Furnace or Boiler that is more than 10 years old or not High Efficiency Energy Star type will be replaced

b. Condensing units that are more than 10 years old or not High Efficiency Energy Star type will be replaced. Electric disconnect shall be located within reach of the unit. Relocation of disconnect shall be acceptable if present and in good condition. If missing, will be provided. c. Where existing components of a system are proposed to be reused, they will be examined and determined to be in good and serviceable condition, code compliant and have a remaining useful life of a minimum of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. d. Temperature control - The temperature in each apartment shall be individually thermostatically controlled. e. Provide adequate heat in common spaces. f. Install pipe insulation with minimum 1.5" wall thickness

ELECTRICAL

1. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
2. Project electrical must be installed by a licensed electrician
3. Design shall comply with all the applicable codes
4. In general, the electrical system should be in good condition, code compliant and have a remaining useful life of a minimum of 30 years or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
5. Service Panel:
 - a. Knob and tube fuse panels shall be replaced with circuit breakers.
 - b. Service panes of less than 100 amps (w/o an air conditioning load) or 150 amps (with an air conditioning load) shall be replaced with 200-amp service.
 - c. Service panels with 10 or fewer circuits will be replaced with new panels (30 circuits).
 - d. Circuit breakers shall be arc fault type when required by code.
 - e. Existing service panels without a main disconnect shall be provided with a separate disconnect switch up stream of the panel.
6. Receptacles:
 - a. Each room shall have a minimum of two remote convenience receptacles, or one receptacle and an overhead light controlled by a switch. Habitable rooms over 120SF shall have a minimum of three remote convenience receptacles.
 - b. Rooms lacking the above shall be provided with 2 additional receptacles.
 - c. Receptacles within 6 ft. of a water source shall be GFI.
 - d. Exterior receptacles shall be GFI and exterior housed.
 - e. All heavy-duty appliances shall be provided with dedicated outlets and separate circuits.

Recapture Note

STATE HOME FUNDING

HOUSING AFFORDABILITY SERVICE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

RECAPTURE MORTGAGE NOTE IN FAVOR OF STATE OF NEW JERSEY, DEPARTMENT OF
COMMUNITY AFFAIRS, DIVISION OF HOUSING, REQUIRED BY SECTION 5:80-26.5(c)

**DEED-RESTRICTED AFFORDABLE HOUSING UNIT WITH
RESTRICTIONS ON RESALE AND REFINANCING**

Housing and Mortgage Finance Agency
Housing Affordability Service
Recapture Mortgage Note
In Connection With Payment of Amounts Due
Upon First Non-Exempt Sale
After Expiration of Control Period

THIS NOTE is dated as of the «Closing_Date_». For value received «BuyerFName» «BuyerLName» «CoBuyerName1» «CoBuyerLName1» (referred to "Owner") promises to pay to THE STATE OF NEW JERSEY, DEPARTMENT OF COMMUNITY AFFAIRS, DIVISION OF HOUSING AND COMMUNITY RESOURCES, HOME PRODUCTION PROGRAM, acting by and through its New Jersey Housing and Mortgage Finance Agency, Housing Affordability Service which has its principal offices at 637 South Clinton Avenue in the City of Trenton, County of Mercer, State of New Jersey (the "STATE"), the amounts specified in this Note and promises to abide by the terms contained below.

Article 1. REPAYMENT MORTGAGE

As security for the payment of amounts due under this Note and the performance of all promises contained in this Note, the Owner is giving the State a "Repayment Mortgage To Secure Payment of Amounts Due Upon First Non-Exempt Sale After Expiration of Control Period" (the "MORTGAGE"), dated «Closing_Date_», of the property described below (the "PROPERTY"). The Mortgage covers real estate owned by the Owner. The Mortgage will not be subordinate, and will not be subordinated by the State, to any mortgage, refinancing, equity loan, secured letter of credit, or any other obligation secured by the Property, except with respect to (a) any such obligation which was duly recorded prior to the recording hereof, and (b) any such obligation which, when added to all other such obligations recorded against the Property, shall result in total debt secured by the Property being an amount less than the maximum resale price (MRP) that would be applicable were the Control Period still in effect, as those terms are defined in Article 2 of the Mortgage.

Article 2. OWNERS PROMISE TO PAY AND OTHER TERMS

Upon the first non-exempt sale of the Property after the date of this Note, the Owner, or the heir, successor or assignee of the Owner then selling the Property, shall pay the sum of «Recapture_» amount determined pursuant to N.J.A.C. 5:80-26.5(c)] to the State of New Jersey, acting by and through its Housing and Mortgage Finance Agency. The obligation evidenced by this note shall not accrue interest.

Article 3. PROPERTY DESCRIPTION

All of the land and improvements thereon located in the municipality of «Municipality» «Townshipcity» in the County of «County», State of New Jersey, described more specifically as Block No. «Block» Lot No. «Lot», and known by the street address:

«Unit_Number» «Property_Address»
«City», «State» «zip»

Article 4. WAIVER OF FORMAL ACTS

The Owner waives its right to require the State to do any of the following before enforcing its rights under this Note:

1. To demand payment of amount due (known as Presentment).
2. To give notice that amounts due have not been paid (known as Notice of Dishonor).
3. To obtain an official certificate of non-payment (known as Protest).

Repayment Mortgage

Record and return to:
New Jersey Housing and Mortgage Finance Agency
Attention: HAS Assistant
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey 08650-2085

STATE HOME FUNDING

HOUSING AFFORDABILITY SERVICE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

MORTGAGE SECURING PAYMENT OF RECAPTURE NOTE IN FAVOR OF
THE STATE OF NEW JERSEY, DEPARTMENT OF COMMUNITY AFFAIRS, DIVISION
OF HOUSING AS REQUIRED BY SECTION 5:80-26.5(c)

**DEED-RESTRICTED AFFORDABLE HOUSING UNIT WITH
RESTRICTIONS ON RESALE AND REFINANCING**

State of New Jersey Department of Community Affairs
Division of Housing

Affordable Housing Program
Repayment Mortgage
To Secure Payment of Amounts Due
Upon First Non-Exempt Sale
After Expiration of Control Period

THIS MORTGAGE, made on this «Closing Date» by and between «BuyerFName» «BuyerLName» «CoBuyerName1» «CoBuyerLName1», (the "OWNER") and THE STATE OF NEW JERSEY, DEPARTMENT OF COMMUNITY AFFAIRS, DIVISION OF HOUSING AND COMMUNITY RESOURCES, HOME PRODUCTION PROGRAM, acting by and through its Housing Affordability Service, which has its principal office within the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085 (the "STATE"), in connection with the property described herein (the "PROPERTY");

Article 1. REPAYMENT MORTGAGE NOTE

In consideration of value received, the Owner has signed a Recapture Mortgage Note (the "Note") dated «Closing Date». The Owner promises to pay to the State amounts due under the Repayment Mortgage Note, and to abide by all obligations contained therein.

Article 2. MORTGAGE AS SECURITY FOR AMOUNT DUE

This Mortgage is given to the State as security for the payment required to be paid upon the first non-exempt sale of the Property, as provided under the rules of the New Jersey Housing and Mortgage Finance Agency set forth in N.J.A.C. 5:80-26.1 et seq. Upon the first non-exempt sale of the Property after the date of this Note, the Owner, or the heir, successor or assignee of the Owner then selling the Property, shall pay the sum of «Recapture» determined pursuant to N.J.A.C. 5:80-26.5(c)] to the State of New Jersey, acting by and through the Housing and Mortgage Finance Agency. The obligation evidenced by this note shall not accrue interest.

Article 3. PROPERTY DESCRIPTION

All of the land and improvements thereon located in the municipality of «Municipality» «Townshipcity» in the County of «County», State of New Jersey (hereinafter the "Property"),

described more specifically as Block No. «Block» Lot No. «Lot» and known by the street address:

«Unit_Number» «Property_Address»
«City», «State» «zip»

Article 4. RIGHTS GIVEN TO STATE

The Owner, by mortgaging the Property to the State, gives the State those rights stated in this Mortgage, and all the rights the law gives to the State under Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq.*). The rights given to the state are covenants running with the land. The rights, terms and restrictions in this Mortgage shall bind the Owner and all subsequent purchasers and owners of the Property, and the heirs and assigns of all of them. Upon performance of the promises contained in Note and Mortgage, the State will prepare and deliver to the then current owner of record a quitclaim deed or other document of release.

Article 5. DEFAULT

The State may declare the Owner in default on this Mortgage and on the Note if:

1. The Owner attempts to convey an interest in the Property without giving prior written notice to the State;
2. The ownership of the Property is changed for any reason other than in the course of an exempt sale;
3. The Owner fails to make any payment required by the Note;
4. The holder of any lien on the Property starts foreclosure proceedings; or
5. Bankruptcy, insolvency or receivership proceedings are commenced by or against the Owner.

Article 6. STATE'S RIGHTS UPON DEFAULT

If the State declares that the Note and this Mortgage are in default, the State shall have all of the rights given by law or set forth in this Mortgage.

Article 7. NOTICES

ALL NOTICES MUST BE IN WRITING AND PERSONALLY DELIVERED OR SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES GIVEN IN THIS MORTGAGE. ADDRESS CHANGES MAY BE MADE UPON WRITTEN NOTICE, MADE IN ACCORDANCE WITH THIS ARTICLE 7.

Article 8. NO WAIVER BY STATE

The State may exercise any right under this Mortgage or under any law, even if the state has delayed in exercising that authority, or has agreed in an earlier instance not to exercise that right. The State does not waive its right to declare the Owner is in default by making payments or incurring expenses on behalf of the Owner.

Article 9. EACH PERSON LIABLE

The Mortgage is legally binding upon each Owner individually and all their heirs, assigns, agents and designees who succeed to their responsibilities. The State may enforce any of the provisions of the Note and of this Mortgage against any one or more liable individual.

Article 10. SUBORDINATION

This Mortgage will not be subordinate, and will not be subordinated by the State, to any mortgage, refinancing, equity loan, secured letter of credit, or any other obligation secured by the

Property, except with respect to (a) any such obligation which was duly recorded prior to the recording hereof, and (b) any such obligation which, when added to all other such obligations recorded against the Property, shall result in total debt secured by the Property being an amount less than the maximum resale price that would be applicable were the Control Period still in effect.

Article 11. SUBSEQUENT OWNERS

This Mortgage shall not be released, with respect to any subsequent owner who acquires the property through an exempt transfer unless the transferee shall execute a note and mortgage in the form of the Note and this Mortgage, and the same has been duly recorded.

Article 12. AMENDMENTS

No amendment or change to the Note and this Mortgage may be made, except in a written document signed by both parties and approved by the administrative agent appointed pursuant to N.J.A.C. 5:80-26.1 et seq.

Article 13. SIGNATURES

By executing this Mortgage on page 4, hereof, the Owner agrees to all of its terms and conditions.

Article 14. ACKNOWLEDGEMENT

The Owner acknowledges receipt of a true copy of this Mortgage, at no charge to the State.

IN WITNESS WHEREOF, the Owner(s) has executed this Mortgage for the purposes stated herein.

ATTEST:

Signature of (Owner)

Signature (Co-Owner)

STATE OF NEW JERSEY)

) ss:

COUNTY OF _____)

BE IT REMEMBERED, that on this the _____ day of _____, 20__ the subscriber _____ appeared personally before me (If more than one person signed the foregoing mortgage and appeared before me, the words "the subscriber" and "the Owner" shall include all such persons) and who, being duly sworn by me, deposed and made proof to my satisfaction (i) that he/she is the Owner named in the foregoing mortgage and (ii) and that he/she has executed said mortgage with respect to the Property and for the purposes described and set forth therein.

Sworn to and subscribed before me, _____ on the date set forth above.

HOME PROGRAM PROVISIONS

1. AFFORDABILITY REQUIREMENTS

The Grantee agrees to comply with and be responsible for:

- 1.1 Complying with the Project Requirements cited in Subpart F of the Federal Register, 24 CFR Part 92 and any amendments thereto. The affordability requirements that must be followed for disbursing HOME funds are cited in 24 CFR Section 92.252 Qualification as Affordable Housing and income targeting; Rental Housing and Section 92.254 Qualification as affordable housing; Homeownership.
- 1.2 Ensuring that housing units are in compliance with the Housing Quality Standards and local code requirements as required in Section 92.257.
- 1.3 The required affordability controls for monitoring the rental and sales projects shall be administered as described in accordance with the requirements as set forth in the Housing Affordability Services Administrative Manual for Owners and Renters and in accordance with the terms of the Affordable Housing Agreement, Declaration of Covenants, Conditions and Restrictions.

2. ADMINISTRATIVE REQUIREMENTS

The Grantee assures and certifies that the project activities, goals and timetables are in compliance with all applicable federal and State laws and regulations as they relate to the acceptance and use of funds for this program. The requirements include, but are not limited to the following:

- 2.1 The Grantee must possess legal authority to accept the grant. A resolution, motion or similar action must be duly adopted as an official act by the Grantee, authorizing the acceptance of the agreement, including all supplementary provisions and assurances contained herein.
- 2.2 The Grantee will establish safeguards to prohibit local officials and employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties. Any such occurrences must be disclosed to the Department in writing for remedial action.
- 2.3 Should the Department wish to issue a report concerning the project, reached, the grantee shall cooperate fully by making available to the Department for publication or other use such information as its results, the techniques involved, and the conclusions the Department may request.
- 2.4 The Grantee shall maintain and keep available for periodic review by the Department documentation and records evidencing that the Project continues to meet the HOME affordability requirements for the affordability term including, but not limited to the following:
 - Documentation that the project meets applicable poverty Housing Quality Standards.
 - Documentation on incomes and sizes of families benefiting from the expenditure of HOME funds.
 - Documentation on rent and estimated utility levels for HOME assisted units and evidence that income targeting requirements are met.
 - For homeownership programs, records describing the income level and family size for each family assisted and documentation establishing the after-rehabilitation value of the property.
- 2.5 The Grantee will implement the HOME assistance program pursuant to the Rules and Regulations published in the Federal Register, 24 CFR Part 92 and any amendments thereto.

GRANT/LOAN AGREEMENT NUMBER:

SECTION D
Page 2 of 3

- 2.6 The Grantee will procure any and all legal instruments as identified in the Scope of Services, Section C of this Agreement, which may be deemed necessary to ensure that the HOME affordability requirements are met.
- 2.7 The Grantee will follow the Department guidelines for the affirmative marketing of HOME assisted sales and rental units, which are appended to this Agreement as "Affirmative Marketing and Minority Outreach" Section D, Exhibit 11. The Grantee will also adopt and implement the affirmative marketing procedures as required in Section 92.351 of the Federal Register.
- 2.8 The Grantee will submit to the Department for approval any agreement with a separate entity that serves as the sponsor/developer for this program, or for professional services paid for in whole or in part with program funds. The Department may retain the rights to the products of any such services including, but not limited to, reports, plans, and architectural drawings.
- 2.9 Grantee, if religious or faith-based in nature agrees to abide by Section 92.257 in its entirety.
- 2.10 During the applicable affordability requirement period as set forth in this Agreement, the Grantee will, upon reasonable notice by the Department, give the Department or the Department's representatives or professionals hired by the Department, access to the property where any activities carried on pursuant to this Agreement are situated. In rental units the Management Agent shall ensure that all leases contain a provision that requires the tenant to allow yearly access to their rental unit to ensure compliance with the Housing Quality Standards.

3. OTHER FEDERAL REQUIREMENTS:

The Grantee will comply with the following federal requirements in accordance with Subpart H-Other Federal Requirements contained in 24 CFR Part 92.

Section Number	Title
92.350	Equal Opportunity and Fair Housing
92.351	Affirmative Marketing
92.352	Environmental Review
92.353	Displacement, Relocation and Acquisition
92.354	Labor
92.355	Lead-based paint
92.358	Conflict of Interest
92.357	Debarment and suspension
92.358	Flood Insurance
92.359	Executive Order 12372

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AFFIRMATIVE MARKETING AND MINORITY OUTREACH

AFFIRMATIVE MARKETING

The State of New Jersey will require grantees to use the following guidelines for the affirmative marketing of HOME assisted units, in accordance with Section 92.351:

- 1) The grantee must include a statement regarding its affirmative marketing policy and procedures in all media releases and reports informing the public about the program and include a description of applicable fair housing laws in the information provided to homeowners and renters.
- 2) The grantee must include the Equal Housing Opportunity logo, slogan or statement in all newspaper and other media announcements regarding the program; and
- 3) The grantee must discuss its affirmative marketing policy and procedures and the fair housing laws directly with the homeowners and renters.

SPECIAL MINORITY OUTREACH EFFORTS

The State of New Jersey will require grantees to solicit applications from persons not likely to apply for housing without special outreach, in accordance with Section 92.350 (a)(5). Outreach efforts will include the following:

- 1) The use of community organizations, churches, employment centers, fair housing groups and housing counseling agencies; and
- 2) The use of PHA(s) for the referral of potential tenants eligible under the Section 8 voucher/certificate program.

ASSESSMENT OF AFFIRMATIVE MARKETING EFFORTS

The State of New Jersey will require the grantees to maintain records supporting their affirmative marketing efforts. These records will be reviewed by the New Jersey Department of Community Affairs at the project's completion. The Department of Community Affairs will use the following criteria to assess the grantee's efforts:

- 1) The method used to inform the community about the project, federal fair housing laws and the State's affirmative marketing policy;
- 2) The grantee's method of identifying groups that are least willing to apply for housing units without special outreach; and
- 3) A comparison of the racial/ethnic composition of the project's homeowners and tenants.