



Fiscal Year 2022 Budget Proposal: Investing in Affordable Housing

Governor Murphy and Lieutenant Governor Oliver are committed to making New Jersey a more affordable place to live, particularly during this challenging time.

The pandemic has created a crisis for many who, due to lost jobs or reductions in income, are struggling to pay housing costs. It has also exacerbated the longer-term affordability challenges in New Jersey's housing market. The FY2022 budget proposal furthers the Governor and Lieutenant Governor's commitment to providing both short- and long-term assistance.

Investing in Rental Assistance

This budget ensures that federal housing support funding will be leveraged to help renters get the help they need during the pandemic.

The new **\$350 million** federally funded Emergency Rental Assistance Program will build on the success of the COVID-19 Emergency Rental Assistance Program (CVERAP), announced in May 2020, that eventually approved rental payments for approximately 15,080 households representing **\$91.3 million** in Coronavirus Relief Fund (CRF) monies.

The Murphy Administration also used the CRF to set up the COVID-19 Housing Assistance Program in the Department of Human Services, which has provided **\$10.5 million** to date to over 1,600 residents.

This budget also maintains support for the long-term rental assistance needs of low-income New Jerseyans, and creates a new State Rental Assistance Payment (SRAP) pilot for expectant mothers.

Supporting Housing Affordability

This budget will support Governor Murphy and Lieutenant Governor Oliver's housing affordability agenda by:

- Investing **\$20 million** into the Housing and Mortgage Finance Authority's (HMFA) Down Payment Assistance (DPA) program, which will help HMFA provide nearly 2,000 affordable mortgages for first time homebuyers.
- Devoting at least **\$30 million** to the Department of Community Affairs Small Projects Grant Program, which announced its first projects in December and continues to approve projects on a rolling basis.
- Allocating **\$12 million** to provide gap financing for multi-family projects that will add substantial low-income units to the housing stock, along with **\$10 million** targeted to adding workforce affordable units within these projects.
- Investing in efforts to streamline housing permitting and construction review processes at the state and municipal levels to spur additional housing supply.
- Providing \$1 million to extend HMFA's foreclosure mediation counseling to include pre-foreclosure counseling and renter assistance counseling