

Middlesex County's Housing First Capital Fund

Federal Reserve Bank of NY Presentation on
Developing and Rehabilitating Affordable Apartments:
Exploring Local Policies and Approaches

April 8, 2025



Housing First Capital Fund (HFCCF)

Created to encourage the development of dedicated permanent housing for homeless individuals & families.

Established in 2009 by Middlesex County (NJ) Board of Chosen Freeholders (now County Commissioners) with a \$1M annual capital set aside

A strategy listed in the county's Plan to End Homelessness

To date, there has been \$9,637,427 spent on 20 projects that created 137 units of dedicated housing for homeless households.

An additional \$3,210,000 has been committed to 5 additional projects that are underway that will add another 35 units.

HFCF Program Parameters

- ▶ Applicants can be non-profits, government entities, or for-profit developers
- ▶ Funds development costs for projects that are acquisition only, acquisition & rehabilitation, or new construction.
- ▶ Projects can be as small as one unit to multiple units in a large development
- ▶ Per unit investment has ranged between \$50,000 - \$100,000
- ▶ Units have project-based vouchers or affordable to extremely low income (no more than 30% AMI, preferably 20% AMI)
- ▶ Primarily used as a source of leverage for other funding
- ▶ Units must be filled through Coordinated Entry system from local Continuum of Care.
 - ▶ Coordinated Entry prioritizes homeless individuals & households in the community for permanent housing opportunities, both vouchers and project-based units.
 - ▶ This ensures the homeless people in our countywide CoC are placed in the units and not people from other areas or people who don't have as critical of a need.
- ▶ Projects are evaluated based on applicant's capacity & experiences to complete the project and that both the development budget & ongoing operating budget are fiscally sound.

Most Common Leveraged Funds

Low Income Housing
Tax Credit Projects

NJ Housing &
Mortgage Finance
Agency (NJHFMA)
Multi-Family
program funds

County & City HOME
Investment
Partnership Program
funding (HUD)

National Housing
Trust Fund
(administered by NJ)

NJ Affordable
Housing Trust Fund
(funded by realty
transfer fees)

Municipal Affordable
Housing Trust Funds

Federal Home Loan
Bank of NY

NJHMFA Affordable
Housing Production
Fund (COVID ARP
funds)

CDBG-DR
(Community
Development Block
Grant Disaster
funding)

HMFA & private
mortgage lenders

Deferred Developer's
Fee

All Saints Apts., Highland Park, NJ



Closed church building re-purposed as affordable housing for homeless veterans. \$700K in HFCE. Also used State Special Needs Housing Trust Fund & county HOME. All 11 units have project-based HUD-VASH vouchers. Completed 2011



Jacobs Landing, Woodbridge, NJ



Redevelopment of former Public Housing site. Three phases consisting of 202 units, all affordable. Used HUD RAD, plus LIHTC to create 52 additional units. Five units dedicated to homeless individuals in Phase 2. Support services are onsite. Completed 2019.



Zebra Way, New Brunswick, NJ



Twelve units, all homeless housing. Five have project-based subsidies & seven remaining are priced to 20% AMI. \$840K in HFCF. Other sources included HMFA “Sandy” funds & local HOME funds. Supportive services on site. Completed in 2017.



Alpine Street, Perth Amboy, NJ



New construction of two 2BD units. Used “Passive House” design - highest energy efficiency. \$250K in HFCF, plus \$700K in state Affordable Housing Trust Fund. Completed in 2024.

Various Small Acquisition & Rehab Projects

These projects used HFCF with state National Housing Trust Fund that combines development funds with project-based vouchers.



↑ Three 3BD

↓ Two 3BD



Three 3BD & one 2BD



← Two 3BD

Two 3BD →



Various Small Acquisition & Rehab Projects



Clockwise from top left:

- 3 units (1BD, 2BD, 3BD)
- 2 units (3BDs)
- 1 unit (3BD)
- 1 unit (3BD)
- 3 units (two 2BD, 3BD)

Populations served include youth that aged out of foster care, victims of domestic violence & chronic homeless.

Thank you!

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