

CITY OF PASSAIC

ADU FUNDING

Mayor Hector C. Lora & the City of Passaic offer homeowners the opportunity to **convert their basement, attic, or any stand-alone structure into an accessory dwelling unit (ADU)** through the HOME Investment Partnership Program (HOME).

Eligible ADUs

- **Internal ADU** - attic, basement with separate and direct access.
- **Attached ADU** - addition to the principal home.
- **Detached ADU** - detached garage, stand-alone structure, typically on the side or rear of principal home.



Rules & Regulations

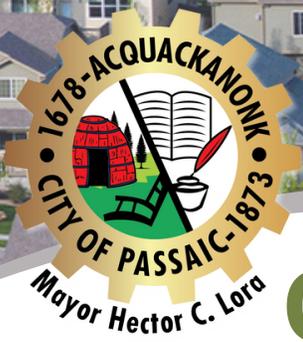
- Property must be located in the City of Passaic
- All real estate taxes must be current.
- Property has insurance coverage.
- Converted units must meet all City required codes and safety requirements.
- Homeowner is required to lease the new units to income-eligible household throughout affordability period.

Under this program, all ADU conversions are considered new construction and subject to a twenty (20) year affordability period.



Scan the QR Code
for application
and details





CIUDAD DE PASSAIC

FINANCIACIÓN ADU

El **Alcalde Héctor C. Lora** y la ciudad de Passaic ofrecen a los propietarios de viviendas la oportunidad de **convertir su sótano, ático o cualquier estructura independiente en una unidad de vivienda auxiliar (ADU)** a través del Programa de Asociación de Inversión HOME (HOME).

ADU Elegibles

- **ADU Interior** - Ático, sótano con acceso independiente y directo.
- **ADU Adjunta** - Ampliación a la casa principal.
- **ADU Independiente** - Garaje separado, estructura independiente, generalmente en el costado o en la parte trasera de la casa principal.



Normas y Reglamentos

- La propiedad debe estar ubicada en la ciudad de Passaic.
- Todos los impuestos sobre la propiedad deben estar al día.
- La propiedad debe tener cobertura de seguro.
- Las unidades convertidas deben cumplir con todos los códigos y requisitos de seguridad exigidos por la Ciudad.
- El propietario debe alquilar las nuevas unidades a hogares con ingresos elegibles durante el período de asequibilidad.

Según este programa, todas las conversiones de ADU se consideran construcciones nuevas y están sujetas a un período de asequibilidad de veinte (20) años.



Escanee el código QR para la aplicación y detalles



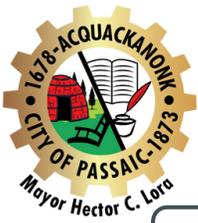
973-365-5641



jhunt@cityofpassaicnj.gov



www.cityofpassaic.com



ADU Document Checklist

PART I - ADU Applicant Information

Applicant Name: _____

Applicant Contact #: _____

Project Address: _____

2 or more existing dwelling units: Yes No

IF YES, APPLICANT WILL NEED APPROVAL FROM PLANNING BOARD FIRST

Initial Qualification for ADU

- **FOR EXISTING 1 FAMILY HOME** - Applicant must first contact Zoning Department for plan and permit approval
- **FOR EXISTING 2 OR MORE FAMILY HOME** - Applicant must have approval from Planning Board for 2 or more existing dwelling units (if applicable)

**IF PLANS WERE NOT APPROVED BY PLANNING AND/OR ZONING BOARD
PLEASE STOP HERE - NOT ELIGIBLE TO CONTINUE**

PART II - Required Documents for submission

- Complete and signed ADU application
- Financial Proforma
 - detailed operating statement for the duration of affordability period
- Sources and Uses
 - for all funds, including hard and soft costs
- Copy of approved plans
- Copy of permits

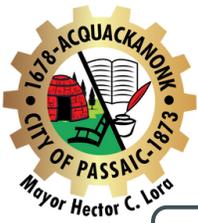
Total Project Cost \$ _____

Total Requested HOME Funds \$ _____

FOR OFFICIAL USE ONLY

Application Complete

Application Incomplete



ADU Lista de Verificación de Documentors

PARTE I - ADU Información del Solicitante

Nombre del solicitante: _____

Contacto del solicitante #: _____

Dirección del proyecto: _____

2 o más unidades de vivienda **existentes**: Sí No

SI LA RESPUESTA ES SÍ, EL SOLICITANTE NECESITARÁ LA APROBACIÓN DE LA JUNTA DE PLANIFICACIÓN PRIMERO

Calificación Inicial Para ADU

- **PARA VIVIENDAS EXISTENTES DE 1 UNIDAD** - primero debe comunicarse con el Departamento de Zonificación para obtener la aprobación del los plan y permisos
- **PARA VIVIENDAS EXISTENTES DE 2 O MÁS UNIDADES-** debe tener la aprobación de la Junta de Planificación para 2 o más unidades de vivienda existentes

SI LOS PLANES NO FUERON APROBADOS POR LA JUNTA DE PLANIFICACIÓN Y/O ZONIFICACIÓN POR FAVOR, DETÉNGASE AQUÍ - NO ES ELEGIBLE PARA CONTINUAR

PARTE II - Documentos Requeridos

- Solicitud de ADU completa y firmada
- Proforma Financiera
 - Estado operativo detallado durante el período de asequibilidad
- Fuentes y Usos
 - Para todos los fondos, incluidos los costos duros y blandos
- Copia de los planos aprobados
- Copia de los permisos

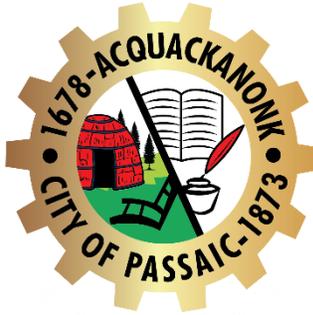
Costo total del proyecto \$ _____

Total de fondos solicitados para HOME \$ _____

SOLO PARA USO OFICIAL

Solicitud Completa

Solicitud Incompleta



CITY OF PASSAIC

**HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)
ACCESSORY DWELLING UNIT (ADU)
2025 FUNDING APPLICATION**

Mayor Hector C. Lora

City Council

Gary Schaer, President

Jose Garcia

Thania Melo

Chiam M. Munk

Terrance L. Love

Daniel S. Mayer

Maritza Colon Montañez

Business Administrator

Ricardo Fernandez

Community Development Director

Joyce Gregory-Hunt

About the Program

The City of Passaic provides HOME funding to homeowners looking to convert their basement, attic, or any other stand-alone structure into an accessory dwelling unit (ADU) through the HOME Investment Partnership Program (HOME). Under this program, all ADU conversions are considered new construction and therefore subject to a twenty (20) year affordability period.

The Objective

The Primary Objective of the HOME program is to create safe, decent, affordable living environments for low-moderate income persons. HOME funds can be used to finance the creation of affordable housing units including ADUs. All projects that use HOME funding must meet certain income targeting and affordability requirements. Specifically, all HOME-assisted housing units must benefit households with incomes **at or below 60% of the area median income (AMI)**. HOME-assisted housing must also meet certain definitions of affordability and must continue to remain affordable to low-income households for the remainder of the affordability period. Current HOME income limits and HOME rental limits can be found on <https://www.hudexchange.info/programs/home/>.

Project & Activity Qualifications

To qualify for HOME funding, proposed projects and activities must satisfy the following criteria:

- Principally benefit low-moderate income persons (as defined by American Fact Finder.gov).
- Create affordable housing units for special needs population.
- Acquisition and/or new construction and/or rehabilitation of affordable housing units for low-income individuals/families.
- Benefit existing low-income existing households in the City of Passaic or households relocating to the City.

Activity Eligibility

Rules and Regulations:

- The property must be located in the City of Passaic.
- All real estate taxes are current.
- The property has insurance coverage.
- The mortgage is not in delinquency.
- You are required to lease the unit to an income-eligible household for at least twenty (20) years from the date of the work is completed and the unit is leased and all required beneficiary information has been obtained and approved. Converted units must continue to be rented out to low-income households during the affordability period and they must maintain the housing unit as their primary residence. At the end of the twenty (20) years, no repayment of the loan is required and any lien will be released.
- HOME funds must be used to partially finance the costs of creating, new affordable housing units in the City of Passaic for rent by low-income households.
- Converted units must meet all City required codes and safety requirements.

Types of Eligible ADUs

- Internal ADU are located within the existing home such as a converted attic or basement; however, all internal ADU units must have a separate and direct access to the outside that is not within or through the principal home on the property.
- Attached ADU an addition to the principal home.
- Detached ADU stand-alone structure, typically at the side or rear of the principal home or above a detached garage or other similar structures.

HOMEOWNER INFORMATION	CO-OWNER INFORMATION
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CONTACT NAME:	CONTACT NAME:
ADDRESS:	ADDRESS:
PHONE NUMBER:	PHONE NUMBER:
EMAIL ADDRESS	EMAIL ADDRESS

PREVIOUS FUNDING AND ACTIVITY

HAVE YOU RECEIVED PREVIOUS HOME FUNDING? YES NO
IF YES, WHAT YEAR AND WHAT PROGRAM?
DO YOU OWE ANY TAXES OR DEBTS TO THE CITY OF PASSAIC? YES NO

ACTIVITY INFORMATION

ACTIVITY BLOCK NUMBER		ACTIVITY LOT NUMBER	
ACTIVITY COST:		AMOUNT OF HOME FUNDS REQUESTED \$	
SOURCE OF OTHER FUNDS (TYPE)	AMOUNT OF OTHER SOURCES:	FUNDS COMMITTED (YES/NO)	
1.	1.	1.	
2.	2.	2.	
3.	3.	3.	
IF ANY SOURCE OF FUNDS HAVE NOT BEEN COMMITTED TO THE PROJECT, PLEASE INDICATE WHEN THE FUNDS WILL BE COMMITTED.			
ACTIVITY OVERVIEW (ATTACH SUMMARY SHEET AS NECESSARY)			
ACTIVITY START DATE:		ACTIVITY END DATE:	
TARGET POPULATION (CENSUS TRACT/AREA OF ACTIVITY):			
NUMBER OF PARTICIPANTS TO BE SERVED:			

I hereby certify that all information and documentation submitted as part of this proposal is correct and true to the best of my information, knowledge and belief and further understand that the City of Passaic shall use this information, in confidence, to make its determination of my eligibility for funding under the HOME program. I also certify that I will comply with all federal rules and regulations if awarded funding under the home program. If any information contained in this proposal is determined, at any time during or after the grant period, to be incorrect, misleading or a false statement or, in the event that HUD should determine that HOME funds were improperly spent, and that money should be reimbursed to the U.S. Treasury, I will be responsible for the reimbursement of any and all home funds expended.

Signature

Date

Narrative

1. For rental projects, describe how you plan to identify income-eligible residents, determine their income eligibility, and monitor the residents during the affordability period to ensure long-term affordability is maintained. Please use the HOME Income Limits Table at the end of this application.

2. As per Ordinance No. 2435-24, in no case shall an ADU eliminate any of the existing on-site parking and there shall be no more than one (1) ADU per lot. Please provide a detailed description of your activity, including the total number bedrooms and bathrooms in the unit, the square footage of the building and the current location and condition of the area you are looking to convert into an ADU. Please include all amenities, including but not limited to private outdoor space such as decks or yards, appliances, interior finishes, parking etc. that will be incorporated into the project.

3. Identify the development team (architect, engineer and general contractor) and describe their experience in working on similar projects. Provide your financial statements/tax returns and any evidence you have to demonstrate your ability to undertake the project. Describe the readiness of your development team to begin construction. Have you completed all of the necessary environmental assessments and remediation of any hazardous materials, including lead-based paint removal? Are plans and specifications complete? Is all the financing to complete the project committed? Please provide evidence of your readiness to begin construction.

4. Attach a proforma operating statement that includes an estimate of all revenues and expenses, including debt service payments, for the duration of the affordability period. The operating statement should justify that the project is not feasible without the infusion of HOME funds. Please use the rent grid at the end of this application to calculate the rental rates that you plan to use

5. Identify any minority business enterprises, women-owned business enterprises or disabled business enterprises that you or your general contractor will contract with. Describe your or your general contractor's efforts to promote and document local hiring.

6. Please describe your outreach efforts and how you plan to market the units for rent. Please verify that you will not discriminate against any City of Passaic, State of New Jersey, or federal protected classes of individuals. Refer to the City of Passaic's Fair Marketing Plan for a list of protected classes of individuals.

BUDGET

Attach a detailed sources and uses of funds identifying all sources (including HOME funds) and uses of funds for the proposed project. Summarize your project budget below:

Use of Funds	HOME Funds Requested	Other Funding and Source(s)	Total

CONTINGENCY PLAN

What is your contingency plan if you do not receive the requested HOME funding, or if you receive less than the amount requested?

APPLICATION CHECKLIST

You must provide a copy of the following sections in the order listed:

- Application and all pertaining information-** complete and signed application
- Financial Proforma and Sources and Uses-** Include a detailed proforma operating statement for the duration of the affordability period and sources and uses of all funds, including all hard and soft costs.
- Additional Information-** If you feel the questions or information required by the application are not sufficient to describe your activity completely, feel free to submit additional information.

SUBMISSION OF THIS APPLICATION

For submission or questions about the application, please contact the following person:

Joyce Gregory-Hunt, Director
 City of Passaic, Community Development
 330 Passaic Street, Passaic, NJ 07055
 P: 973-365-5641 F: 973-365-5552
jhunt@cityofpassaicnj.gov

Please use the below HOME Program income limits and HOME Program rent rate limits when completing this application

- HOME Income Limits**

2025 HOME Income Limits	<u>One Person</u>	<u>Two Person</u>	<u>Three Person</u>	<u>Four Person</u>	<u>Five Person</u>	<u>Six Person</u>
Households at 60% AMI	\$57,600	\$65,820	\$74,040	\$82,260	\$88,860	\$95,460

- HOME Rental Rate Limits**

2025 HOME Rent Limits	<u>Studio</u>	<u>1-BR</u>	<u>2-BR</u>	<u>3-BR</u>
Gross Rent including all utilities	\$1,540	\$1,651	\$1,983	\$2,283
Rent plus electric outlets only				
Rent plus electric outlets and electric heat				
Rent plus electric outlets and gas heat				
Rent plus electric outlets, electric heat, and water				
Rent plus electric outlets, gas heat, and water				