

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1787

STATE OF NEW JERSEY

DATED: MARCH 11, 2021

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 1787.

This bill creates the "Tiny Home Pilot Program" as a three-year pilot program to assist the State's homeless population and other residents struggling financially with acquiring housing through the construction of small, affordable homes.

This bill requires the Executive Director of the New Jersey Housing and Mortgage Finance Agency in the Department of Community Affairs (HMFA) to select municipalities in three regions of the State to participate in the pilot program. The executive director also would be required to manage the pilot program to award grants to qualified applicants for the construction of housing developments consisting of homes no greater than 300 square feet of interior floor space. As part of the program, the executive director would establish options, including rental assistance programs, designed to make tiny home dwelling units affordable for very low-income families and very low-income individuals. Any municipality participating in this pilot program would receive two credits toward the fulfillment of its fair share housing obligation for each tiny home dwelling unit constructed within its borders.

This bill directs the executive director to seek funding from the federal government and other sources to implement the pilot program. Upon securing a funding source, the executive director would distribute \$1.65 million during each of the three years the pilot program is in operation to qualified applicants for the construction of housing developments consisting of tiny homes. The executive director would be required to promulgate rules and regulations necessary to carry out the purposes of the bill. In addition, the executive director would be required to submit an annual report to the Governor and Legislature detailing the pilot program's progress in increasing affordable housing options and reducing the State's homeless population.