



Certification Listing - Tenant Statistic Report

Gender Breakdown:

Female Head of Household	3133
Male Head of Household	983
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1116
Non-Hispanic	2999

Family Size Breakdown:

Singles	2121
Couples	896
Families	1099

Race Breakdown:

White	2726
Black	1189
American Indian/Native Alaskan	21
Asian	101
Native Hawaiian/Oth Pacific Island	159
Other	179

Bedroom Size Breakdown:

0 Bedroom	126
1 Bedroom	1986
2 Bedroom	1245
3 Bedroom	582
4 Bedroom	72
5 Bedroom	5
6 Bedroom	2

Rent Calculation Breakdown:

Total HAP	\$3,400,034.00
Average HAP	\$826.05
Total Tenant Rent	\$1,041,419.65
Average Tenant Rent	\$253.02
Total Annual Income	\$70,229,265.00
Average Annual Income	\$17,062.50

Head of Household Age Breakdown:

Age 18 - 24	23
Age 25-54	1850
Age 55-74	1455
Age 75+	764

Tenant Rent Breakdown:

Rent \$0 to \$100	1471
Rent \$101 to \$200	589
Rent \$201 to \$300	597
Rent \$301 to \$400	385

Handicapped/Disabled or Elderly Breakdown:

Handicapped	349
Disabled	1540
Elderly	1592

4116 Total Tenant for -



Certification Listing - Tenant Statistic Report

001 - TETERBORO I

Gender Breakdown:

Female Head of Household	2
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	2
Non-Hispanic	0

Family Size Breakdown:

Singles	1
Couples	0
Families	1

Race Breakdown:

White	2
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	0
3 Bedroom	1
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$846.00
Average HAP	\$423.00
Total Tenant Rent	\$1,397.00
Average Tenant Rent	\$698.50
Total Annual Income	\$70,880.00
Average Annual Income	\$35,440.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	1
Age 75+	1

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	1
Disabled	2
Elderly	1

2 Total Tenant for 001 - TETERBORO I



Certification Listing - Tenant Statistic Report

016 - FAIRVIEW GARDENS

Gender Breakdown:

Female Head of Household	1
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1
Non-Hispanic	0

Family Size Breakdown:

Singles	1
Couples	0
Families	0

Race Breakdown:

White	1
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	1
1 Bedroom	0
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$310.00
Average HAP	\$310.00
Total Tenant Rent	\$744.00
Average Tenant Rent	\$744.00
Total Annual Income	\$28,236.00
Average Annual Income	\$28,236.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	1
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	1

1 Total Tenant for 016 - FAIRVIEW GARDENS



Certification Listing - Tenant Statistic Report

022 - HASBROUCK HEIGHTS

Gender Breakdown:

Female Head of Household	3
Male Head of Household	2
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	5

Family Size Breakdown:

Singles	5
Couples	0
Families	0

Race Breakdown:

White	4
Black	1
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	5
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$4,056.00
Average HAP	\$811.20
Total Tenant Rent	\$595.00
Average Tenant Rent	\$119.00
Total Annual Income	\$78,097.00
Average Annual Income	\$15,619.40

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	0
Age 75+	5

Tenant Rent Breakdown:

Rent \$0 to \$100	3
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	1

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	5

5 Total Tenant for 022 - HASBROUCK HEIGHTS



Certification Listing - Tenant Statistic Report

023-1 - SADDLE RIVER SENIORS

Gender Breakdown:

Female Head of Household	0
Male Head of Household	2
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	2

Family Size Breakdown:

Singles	1
Couples	1
Families	0

Race Breakdown:

White	1
Black	0
American Indian/Native Alaskan	0
Asian	1
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	1
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$1,873.00
Average HAP	\$936.50
Total Tenant Rent	\$0.00
Average Tenant Rent	\$0.00
Total Annual Income	\$29,652.00
Average Annual Income	\$14,826.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	0
Age 75+	2

Tenant Rent Breakdown:

Rent \$0 to \$100	2
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	2

2 Total Tenant for 023-1 - SADDLE RIVER SENIORS



Certification Listing - Tenant Statistic Report

057 - 057 BROOKSIDE

Gender Breakdown:

Female Head of Household	1
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	1

Family Size Breakdown:

Singles	1
Couples	0
Families	0

Race Breakdown:

White	1
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$0.00
Average HAP	\$0.00
Total Tenant Rent	\$14.00
Average Tenant Rent	\$14.00
Total Annual Income	\$0.00
Average Annual Income	\$0.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	1
Age 55-74	0
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	1
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	0

1 Total Tenant for 057 - 057 BROOKSIDE



Certification Listing - Tenant Statistic Report

106 - HDCMR Mahwah

Gender Breakdown:

Female Head of Household	1
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	1

Family Size Breakdown:

Singles	0
Couples	0
Families	1

Race Breakdown:

White	0
Black	1
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	0
2 Bedroom	0
3 Bedroom	1
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$0.00
Average HAP	\$0.00
Total Tenant Rent	\$191.00
Average Tenant Rent	\$191.00
Total Annual Income	\$14,622.00
Average Annual Income	\$14,622.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	1
Age 55-74	0
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	1
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	0

1 Total Tenant for 106 - HDCMR Mahwah



Certification Listing - Tenant Statistic Report

121 - OLD TAPPAN

Gender Breakdown:

Female Head of Household	4
Male Head of Household	1
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	5

Family Size Breakdown:

Singles	5
Couples	0
Families	0

Race Breakdown:

White	4
Black	0
American Indian/Native Alaskan	0
Asian	1
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	5
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$4,164.00
Average HAP	\$832.80
Total Tenant Rent	\$277.00
Average Tenant Rent	\$55.40
Total Annual Income	\$56,746.00
Average Annual Income	\$11,349.20

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	0
Age 75+	5

Tenant Rent Breakdown:

Rent \$0 to \$100	4
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	5

5 Total Tenant for 121 - OLD TAPPAN



Certification Listing - Tenant Statistic Report

122 - SILVER MAPLE GARDENS

Gender Breakdown:

Female Head of Household	2
Male Head of Household	1
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1
Non-Hispanic	2

Family Size Breakdown:

Singles	3
Couples	0
Families	0

Race Breakdown:

White	2
Black	0
American Indian/Native Alaskan	0
Asian	1
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	3
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$2,937.00
Average HAP	\$979.00
Total Tenant Rent	\$289.00
Average Tenant Rent	\$96.33
Total Annual Income	\$20,064.00
Average Annual Income	\$6,688.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	1
Age 75+	2

Tenant Rent Breakdown:

Rent \$0 to \$100	2
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	3

3 Total Tenant for 122 - SILVER MAPLE GARDENS



Certification Listing - Tenant Statistic Report

124 - The Manor on Paris - Northvale

Gender Breakdown:

Female Head of Household	0
Male Head of Household	1
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	1

Family Size Breakdown:

Singles	1
Couples	0
Families	0

Race Breakdown:

White	1
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$797.00
Average HAP	\$797.00
Total Tenant Rent	\$0.00
Average Tenant Rent	\$0.00
Total Annual Income	\$21,574.00
Average Annual Income	\$21,574.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	0
Age 75+	1

Tenant Rent Breakdown:

Rent \$0 to \$100	1
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	1

1 Total Tenant for 124 - The Manor on Paris - Northvale



Certification Listing - Tenant Statistic Report

340 - MARTIN LUTHER KING

Gender Breakdown:

Female Head of Household	2
Male Head of Household	4
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	6

Family Size Breakdown:

Singles	6
Couples	0
Families	0

Race Breakdown:

White	4
Black	2
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	6
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$4,211.00
Average HAP	\$701.83
Total Tenant Rent	\$679.00
Average Tenant Rent	\$113.17
Total Annual Income	\$64,908.00
Average Annual Income	\$10,818.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	5
Age 75+	1

Tenant Rent Breakdown:

Rent \$0 to \$100	4
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	1

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	6
Elderly	6

6 Total Tenant for 340 - MARTIN LUTHER KING



Certification Listing - Tenant Statistic Report

41 - SENIOR CITIZENS AT GROVE STREET

Gender Breakdown:

Female Head of Household	1
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	1

Family Size Breakdown:

Singles	1
Couples	0
Families	0

Race Breakdown:

White	1
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$718.00
Average HAP	\$718.00
Total Tenant Rent	\$0.00
Average Tenant Rent	\$0.00
Total Annual Income	\$20,855.00
Average Annual Income	\$20,855.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	0
Age 75+	1

Tenant Rent Breakdown:

Rent \$0 to \$100	1
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	1

1 Total Tenant for 41 - SENIOR CITIZENS AT GROVE STREET



Certification Listing - Tenant Statistic Report

510 - NORTHVALE SENIOR

Gender Breakdown:

Female Head of Household	1
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	0
Non-Hispanic	1

Family Size Breakdown:

Singles	1
Couples	0
Families	0

Race Breakdown:

White	0
Black	1
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$763.00
Average HAP	\$763.00
Total Tenant Rent	\$126.00
Average Tenant Rent	\$126.00
Total Annual Income	\$18,373.00
Average Annual Income	\$18,373.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	0
Age 55-74	1
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	1
Rent \$201 to \$300	0
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	1

1 Total Tenant for 510 - NORTHVALE SENIOR



Certification Listing - Tenant Statistic Report

GHA - GARDEN HOUSE

Gender Breakdown:

Female Head of Household	2
Male Head of Household	0
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	2
Non-Hispanic	0

Family Size Breakdown:

Singles	0
Couples	2
Families	0

Race Breakdown:

White	2
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	0
2 Bedroom	2
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$1,092.00
Average HAP	\$546.00
Total Tenant Rent	\$375.00
Average Tenant Rent	\$187.50
Total Annual Income	\$20,472.00
Average Annual Income	\$10,236.00

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	2
Age 55-74	0
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	1
Rent \$101 to \$200	0
Rent \$201 to \$300	0
Rent \$301 to \$400	1

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	0
Elderly	0

2 Total Tenant for GHA - GARDEN HOUSE



Certification Listing - Tenant Statistic Report

S8003 - S8V-HousingChoiceVoucher (070) - Dev S8003

Gender Breakdown:

Female Head of Household	2
Male Head of Household	1
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1
Non-Hispanic	2

Family Size Breakdown:

Singles	1
Couples	0
Families	2

Race Breakdown:

White	2
Black	1
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	1
2 Bedroom	2
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$2,632.00
Average HAP	\$877.33
Total Tenant Rent	\$984.79
Average Tenant Rent	\$328.26
Total Annual Income	\$53,189.00
Average Annual Income	\$17,729.67

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	2
Age 55-74	1
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	0
Rent \$201 to \$300	1
Rent \$301 to \$400	2

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	1

3 Total Tenant for S8003 - S8V-HousingChoiceVoucher (070) - Dev S8003



Certification Listing - Tenant Statistic Report

S8IPR - Section 8 Recvble's

Gender Breakdown:

Female Head of Household	1
Male Head of Household	1
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1
Non-Hispanic	1

Family Size Breakdown:

Singles	2
Couples	0
Families	0

Race Breakdown:

White	2
Black	0
American Indian/Native Alaskan	0
Asian	0
Native Hawaiian/Oth Pacific Island	0
Other	0

Bedroom Size Breakdown:

0 Bedroom	0
1 Bedroom	2
2 Bedroom	0
3 Bedroom	0
4 Bedroom	0
5 Bedroom	0
6 Bedroom	0

Rent Calculation Breakdown:

Total HAP	\$1,854.00
Average HAP	\$927.00
Total Tenant Rent	\$571.00
Average Tenant Rent	\$285.50
Total Annual Income	\$25,671.00
Average Annual Income	\$12,835.50

Head of Household Age Breakdown:

Age 18 - 24	0
Age 25-54	1
Age 55-74	1
Age 75+	0

Tenant Rent Breakdown:

Rent \$0 to \$100	0
Rent \$101 to \$200	0
Rent \$201 to \$300	2
Rent \$301 to \$400	0

Handicapped/Disabled or Elderly Breakdown:

Handicapped	0
Disabled	1
Elderly	0

2 Total Tenant for S8IPR - Section 8 Recvble's



Certification Listing - Tenant Statistic Report

REPORT TOTALS

Gender Breakdown:

Female Head of Household	3156
Male Head of Household	996
Unknown Gender	0

Ethnicity Breakdown:

Hispanic	1124
Non-Hispanic	3027

Family Size Breakdown:

Singles	2150
Couples	899
Families	1103

Race Breakdown:

White	2753
Black	1195
American Indian/Native Alaskan	21
Asian	104
Native Hawaiian/Oth Pacific Island	159
Other	179

Bedroom Size Breakdown:

0 Bedroom	127
1 Bedroom	2014
2 Bedroom	1250
3 Bedroom	584
4 Bedroom	72
5 Bedroom	5
6 Bedroom	2

Rent Calculation Breakdown:

Total HAP	\$3,426,287.00
Average HAP	\$825.21
Total Tenant Rent	\$1,047,662.44
Average Tenant Rent	\$252.33
Total Annual Income	\$70,752,604.00
Average Annual Income	\$17,040.61

Head of Household Age Breakdown:

Age 18 - 24	23
Age 25-54	1857
Age 55-74	1466
Age 75+	782

Tenant Rent Breakdown:

Rent \$0 to \$100	1490
Rent \$101 to \$200	591
Rent \$201 to \$300	605
Rent \$301 to \$400	390

Handicapped/Disabled or Elderly Breakdown:

Handicapped	350
Disabled	1555
Elderly (62+)	1619

4152 Total Tenants

S1701

POVERTY STATUS IN THE PAST 12 MONTHS

2011-2015 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

Subject	Bergen County, New Jersey					
	Total		Below poverty level		Percent below poverty level	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	915,596	+/-725	67,959	+/-3,080	7.4%	+/-0.3
AGE						
Under 18 years	201,436	+/-367	18,034	+/-1,575	9.0%	+/-0.8
Under 5 years	48,808	+/-200	4,323	+/-578	8.9%	+/-1.2
5 to 17 years	152,628	+/-245	13,711	+/-1,243	9.0%	+/-0.8
Related children of householder under 18 years	201,093	+/-383	17,759	+/-1,573	8.8%	+/-0.8
18 to 64 years	571,967	+/-539	38,808	+/-1,897	6.8%	+/-0.3
18 to 34 years	177,049	+/-542	14,314	+/-1,059	8.1%	+/-0.6
35 to 64 years	394,918	+/-209	24,494	+/-1,363	6.2%	+/-0.3
60 years and over	196,806	+/-1,157	14,628	+/-900	7.4%	+/-0.5
65 years and over	142,193	+/-387	11,117	+/-824	7.8%	+/-0.6
SEX						
Male	443,561	+/-376	29,262	+/-1,757	6.6%	+/-0.4
Female	472,035	+/-523	38,697	+/-1,877	8.2%	+/-0.4
RACE AND HISPANIC OR LATINO ORIGIN						

Subject	Bergen County, New Jersey					
	Total		Below poverty level		Percent below poverty level	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
White alone	644,487	+/-2,637	40,722	+/-2,571	6.3%	+/-0.4
Black or African American alone	52,699	+/-1,032	7,020	+/-931	13.3%	+/-1.8
American Indian and Alaska Native alone	1,730	+/-353	286	+/-140	16.5%	+/-7.8
Asian alone	144,215	+/-1,137	9,013	+/-984	6.2%	+/-0.7
Native Hawaiian and Other Pacific Islander alone	171	+/-58	4	+/-7	2.3%	+/-4.4
Some other race alone	52,008	+/-2,758	8,652	+/-1,488	16.6%	+/-2.6
Two or more races	20,286	+/-1,460	2,262	+/-461	11.2%	+/-2.2
Hispanic or Latino origin (of any race)	164,247	+/-405	23,446	+/-2,225	14.3%	+/-1.4
White alone, not Hispanic or Latino	542,967	+/-751	27,744	+/-1,529	5.1%	+/-0.3
EDUCATIONAL ATTAINMENT						
Population 25 years and over	645,223	+/-412	43,858	+/-1,914	6.8%	+/-0.3
Less than high school graduate	52,716	+/-1,745	9,757	+/-967	18.5%	+/-1.6
High school graduate (includes equivalency)	156,239	+/-2,594	14,573	+/-1,148	9.3%	+/-0.7
Some college, associate's degree	131,930	+/-2,503	8,920	+/-777	6.8%	+/-0.6
Bachelor's degree or higher	304,338	+/-3,231	10,608	+/-890	3.5%	+/-0.3
EMPLOYMENT STATUS						
Civilian labor force 16 years and over	489,250	+/-2,654	18,234	+/-1,220	3.7%	+/-0.2
Employed	457,661	+/-2,620	13,310	+/-1,071	2.9%	+/-0.2
Male	243,772	+/-1,668	6,393	+/-725	2.6%	+/-0.3
Female	213,889	+/-2,099	6,917	+/-641	3.2%	+/-0.3
Unemployed	31,589	+/-1,335	4,924	+/-489	15.6%	+/-1.3
Male	16,696	+/-925	2,278	+/-306	13.6%	+/-1.6
Female	14,893	+/-944	2,646	+/-397	17.8%	+/-2.1
WORK EXPERIENCE						
Population 16 years and over	738,953	+/-818	52,062	+/-2,157	7.0%	+/-0.3
Worked full-time, year-round in the past 12 months	336,853	+/-2,800	4,844	+/-639	1.4%	+/-0.2
Worked part-time or part-year in the past 12 months	158,625	+/-2,562	11,180	+/-844	7.0%	+/-0.5
Did not work	243,475	+/-2,660	36,038	+/-1,676	14.8%	+/-0.6
ALL INDIVIDUALS WITH INCOME BELOW THE FOLLOWING POVERTY RATIOS						
50 percent of poverty level	32,254	+/-2,050	(X)	(X)	(X)	(X)
125 percent of poverty level	90,761	+/-3,235	(X)	(X)	(X)	(X)
150 percent of poverty level	116,608	+/-3,831	(X)	(X)	(X)	(X)
185 percent of poverty level	151,672	+/-4,337	(X)	(X)	(X)	(X)
200 percent of poverty level	167,223	+/-4,306	(X)	(X)	(X)	(X)
300 percent of poverty level	273,589	+/-4,879	(X)	(X)	(X)	(X)
400 percent of poverty level	376,373	+/-6,317	(X)	(X)	(X)	(X)
500 percent of poverty level	476,118	+/-5,931	(X)	(X)	(X)	(X)

Subject	Bergen County, New Jersey					
	Total		Below poverty level		Percent below poverty level	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
UNRELATED INDIVIDUALS FOR WHOM POVERTY STATUS IS DETERMINED	125,618	+/-2,089	23,180	+/-1,111	18.5%	+/-0.9
Male	57,234	+/-1,653	8,956	+/-808	15.6%	+/-1.3
Female	68,384	+/-1,442	14,224	+/-861	20.8%	+/-1.2
15 years	63	+/-49	63	+/-49	100.0%	+/-37.3
16 to 17 years	205	+/-91	205	+/-91	100.0%	+/-14.6
18 to 24 years	4,706	+/-657	1,903	+/-346	40.4%	+/-5.7
25 to 34 years	21,343	+/-1,197	3,244	+/-569	15.2%	+/-2.4
35 to 44 years	17,589	+/-931	2,988	+/-478	17.0%	+/-2.7
45 to 54 years	19,352	+/-1,041	3,793	+/-436	19.6%	+/-2.0
55 to 64 years	22,766	+/-907	4,094	+/-425	18.0%	+/-1.8
65 to 74 years	16,149	+/-747	2,373	+/-346	14.7%	+/-2.0
75 years and over	23,445	+/-802	4,517	+/-452	19.3%	+/-1.8
Mean income deficit for unrelated individuals (dollars)	6,860	+/-252	(X)	(X)	(X)	(X)
Worked full-time, year-round in the past 12 months	59,216	+/-1,827	1,560	+/-367	2.6%	+/-0.6
Worked less than full-time, year-round in the past 12 months	20,904	+/-933	4,583	+/-529	21.9%	+/-2.3
Did not work	45,498	+/-1,068	17,037	+/-886	37.4%	+/-1.6

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2011-2015 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.

6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

QuickFacts

selected: **Bergen County, New Jersey; UNITED STATES**

QuickFacts provides statistics for all states and counties, and for cities and towns with a *population of 5,000 or more*.

Table

All Topics	Bergen County, New Jersey	UNITED STATES
Population estimates, July 1, 2016, (V2016)	939,151	323,127,513
PEOPLE		
Population		
Population estimates, July 1, 2016, (V2016)	939,151	323,127,513
Population estimates base, April 1, 2010, (V2016)	905,117	308,758,105
Population, percent change - April 1, 2010 (estimates base) to July 1, 2016, (V2016)	3.8%	4.7%
Population, Census, April 1, 2010	905,116	308,745,538
Age and Sex		
Persons under 5 years, percent, July 1, 2016, (V2016)	5.3%	6.2%
Persons under 5 years, percent, April 1, 2010	5.6%	6.5%
Persons under 18 years, percent, July 1, 2016, (V2016)	21.4%	22.8%
Persons under 18 years, percent, April 1, 2010	22.6%	24.0%
Persons 65 years and over, percent, July 1, 2016, (V2016)	16.5%	15.2%
Persons 65 years and over, percent, April 1, 2010	15.1%	13.0%
Female persons, percent, July 1, 2016, (V2016)	51.5%	50.8%
Female persons, percent, April 1, 2010	51.8%	50.8%
Race and Hispanic Origin		
White alone, percent, July 1, 2016, (V2016) (a)	73.6%	76.9%
Black or African American alone, percent, July 1, 2016, (V2016) (a)	7.1%	13.3%
American Indian and Alaska Native alone, percent, July 1, 2016, (V2016) (a)	0.4%	1.3%
Asian alone, percent, July 1, 2016, (V2016) (a)	16.7%	5.7%
Native Hawaiian and Other Pacific Islander alone, percent, July 1, 2016, (V2016) (a)	0.1%	0.2%
Two or More Races, percent, July 1, 2016, (V2016)	2.1%	2.6%
Hispanic or Latino, percent, July 1, 2016, (V2016) (b)	19.4%	17.8%
White alone, not Hispanic or Latino, percent, July 1, 2016, (V2016)	57.1%	61.3%
Population Characteristics		
Veterans, 2011-2015	33,479	20,108,332
Foreign born persons, percent, 2011-2015	30.2%	13.2%
Housing		
Housing units, July 1, 2016, (V2016)	356,474	135,697,926
Housing units, April 1, 2010	352,388	131,704,730
Owner-occupied housing unit rate, 2011-2015	64.8%	63.9%
Median value of owner-occupied housing units, 2011-2015	\$441,100	\$178,600
Median selected monthly owner costs -with a mortgage, 2011-2015	\$2,930	\$1,492
Median selected monthly owner costs -without a mortgage, 2011-2015	\$1,173	\$458
Median gross rent, 2011-2015	\$1,348	\$928
Building permits, 2016	3,144	1,206,642
Families & Living Arrangements		
Households, 2011-2015	335,550	116,926,305
Persons per household, 2011-2015	2.73	2.64
Living in same house 1 year ago, percent of persons age 1 year+, 2011-2015	91.7%	85.1%
Language other than English spoken at home, percent of persons age 5 years+, 2011-2015	39.1%	21.0%
Education		
High school graduate or higher, percent of persons age 25 years+, 2011-2015	91.6%	86.7%
Bachelor's degree or higher, percent of persons age 25 years+, 2011-2015	46.9%	29.8%
Health		
With a disability, under age 65 years, percent, 2011-2015	4.6%	8.6%
Persons without health insurance, under age 65 years, percent	▲ 9.6%	▲ 10.1%

Economy

In civilian labor force, total, percent of population age 16 years+, 2011-2015	65.7%	63.3%
In civilian labor force, female, percent of population age 16 years+, 2011-2015	58.9%	58.5%
Total accommodation and food services sales, 2012 (\$1,000) (c)	2,016,749	708,138,598
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	9,302,959	2,040,441,203
Total manufacturers shipments, 2012 (\$1,000) (c)	12,577,581	5,696,729,632
Total merchant wholesaler sales, 2012 (\$1,000) (c)	77,906,550	5,208,023,478
Total retail sales, 2012 (\$1,000) (c)	20,349,156	4,219,821,871
Total retail sales per capita, 2012 (c)	\$22,145	\$13,443

Transportation

Mean travel time to work (minutes), workers age 16 years+, 2011-2015	31.9	25.9
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Income & Poverty

Median household income (in 2015 dollars), 2011-2015	\$85,806	\$53,889
Per capita income in past 12 months (in 2015 dollars), 2011-2015	\$44,002	\$28,930
Persons in poverty, percent	▲ 7.1%	▲ 12.7%


**BUSINESSES****Businesses**

Total employer establishments, 2015	31,690	7,663,938
Total employment, 2015	437,745	124,085,947
Total annual payroll, 2015 (\$1,000)	26,348,221	6,253,488,252
Total employment, percent change, 2014-2015	-0.4%	2.5%
Total nonemployer establishments, 2015	92,417	24,331,403
All firms, 2012	110,267	27,626,360
Men-owned firms, 2012	63,895	14,844,597
Women-owned firms, 2012	34,576	9,878,397
Minority-owned firms, 2012	31,395	7,952,386
Nonminority-owned firms, 2012	75,344	18,987,918
Veteran-owned firms, 2012	7,713	2,521,682
Nonveteran-owned firms, 2012	98,227	24,070,685

**GEOGRAPHY****Geography**

Population per square mile, 2010	3,884.5	87.4
Land area in square miles, 2010	233.01	3,531,905.43
FIPS Code	34003	00

Value Notes

 This geographic level of poverty and health estimates is not comparable to other geographic levels of these estimates

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info left of each row in TABLE view to learn about sampling error.

The vintage year (e.g., V2016) refers to the final year of the series (2010 thru 2016). *Different vintage years of estimates are not comparable.*

Fact Notes

- (a) Includes persons reporting only one race
- (b) Hispanics may be of any race, so also are included in applicable race categories
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval of an open ended distribution.
- D** Suppressed to avoid disclosure of confidential information
- F** Fewer than 25 firms
- FN** Footnote on this item in place of data
- NA** Not available
- S** Suppressed; does not meet publication standards
- X** Not applicable
- Z** Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

STATE OF NEW JERSEY
2015 – 2019 Consolidated Plan



State of New Jersey
Chris Christie, Governor

Kim Guadagno, Lt. Governor

Department of Community Affairs
Charles Richman, Commissioner

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The 2015-2019 Consolidated Plan (Plan) is a multi-year comprehensive planning document which 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 affirms 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 Plan's development. In order to prepare the Plan, 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 (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons With AIDS (HOPWA) funds to provide decent affordable housing, suitable living environments and expand economic opportunities for low and moderate-income.

The following chart represents the Federal FY 2015 formula allocation for CDBG, HOME, ESG and HOPWA:

PROGRAM	ALLOCATION
Community Development Block Grant (CDBG) Program	\$6,090,333
HOME Investment Partnerships Program	\$3,302,794
Emergency Solutions Grant Program	\$2,682,257
Housing Opportunities for Persons With AIDS (HOPWA) Program	\$1,116,874
Total Federal FY 2015 Funds	\$13,192,258

Chart-1

Matching Funds

Of the four programs covered in the Annual Action Plan, the following three require matching funds.

1. **HOME Program** requires a 25 percent match; the match for HOME is the State Rental Assistance Program.
2. **Emergency Solutions Grant Program** requires a \$1 to \$1 match; the match for ESG is the Affordable Housing Trust Fund and the Homelessness Prevention Program.
3. **Community Development Block Grant Program** requires that administration funds expended in excess of \$100,000 must be matched on a one-to-one basis; the match for CDBG is the Affordable Housing Trust Fund.

Funding Trends

Overall funding for CDBG and HOME has decreased since 2010 (CDBG - 22% and HOME - 57%).

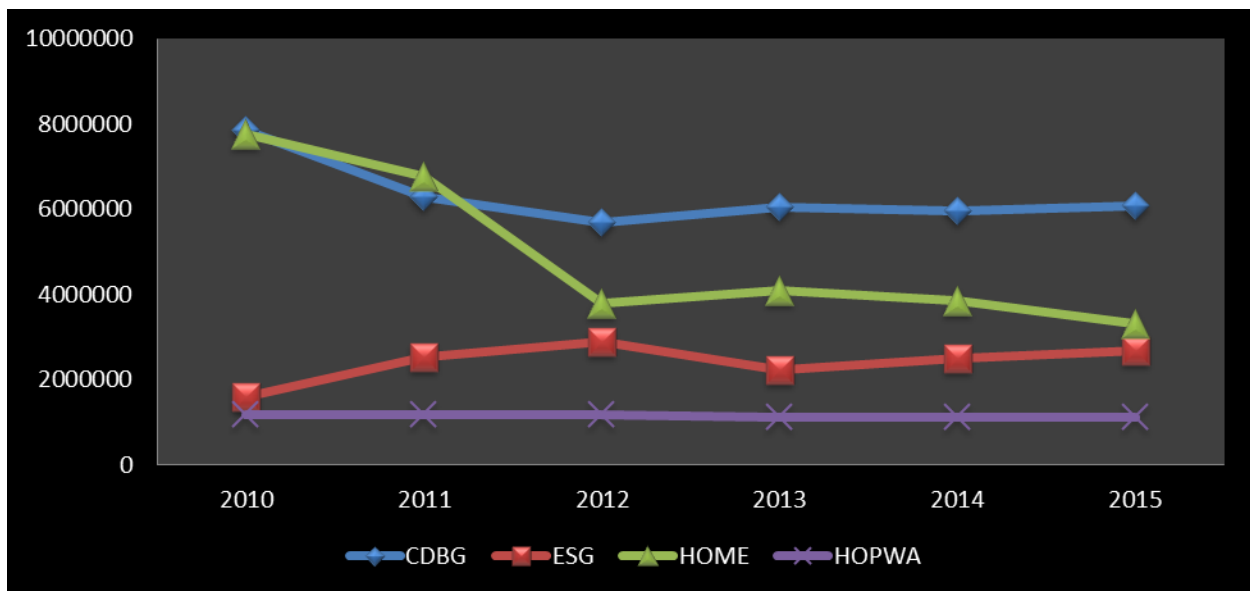


Chart- 2

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Any program activities funded by CDBG, HOME, ESG, or HOPWA must 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.

The State of New Jersey over the next 5 years will allocate resources to address the following needs identified in the assessment:

- Increase the supply and quality of affordable housing including accessible housing for very low-income and low-income households.
- Decrease the number of households experiencing homelessness through the provision of rental assistance and supportive services.
- Support the replacement or reconstruction of deteriorating infrastructure and the construction of essential community facilities such as youth centers.
- Improve and preserve the existing affordable housing stock and neighborhoods.
- Increase homeownership opportunities for low and moderate-income households.
- Support local jurisdictions' planning process to reduce and end homelessness.
- Support community and economic development programs that expand business enterprises and increase job opportunities for low- and moderate-income households.
- Affirmatively further fair housing.

Five Year Goals: The following chart summarizes the five-year goals:

GOAL	FISCAL YEARS	PROGRAM
Increase the supply of affordable housing	2015-2019	HOME: \$7,362,571
Assist homeless households	2015-2019	HOME: \$5,000,000; HOPWA:\$5,025,933; ESG: \$12,472,495
Revitalize municipalities (small cities)	2015-2019	CDBG: \$18,255,906
Neighborhood rehabilitation	2015-2019	CDBG: \$4,950,000; HOME: \$2,500,000
Expand homeownership opportunities for low and moderate-income	2015-2019	HMFA: \$50,000,000
Foster community economic development	2015-2019	CDBG: \$300,000
Sandy Revitalization	2015-2019	CDBG-R: \$4,174,429,000

Chart -3

4. Evaluation of past performance

Each year, the State completes a Consolidated Annual Performance and Evaluation Report that summarizes accomplishments achieved during the previous fiscal year. This section of the report summarizes all of the Federal and State resources used during Federal Fiscal Year (FFY) 2013 to support the housing and community development goals identified in the Consolidated Plan.

The New Jersey Department of Community Affairs (DCA) and the New Jersey Housing and Mortgage Finance Agency (HMFA) are responsible for administering the programs that address the housing and community development needs in the State. During FFY 2013, the State leveraged federal funds with other State funds to assist our most vulnerable populations. Last year, more than 26,000 families throughout the State received assistance from DCA's and HMFA's various programs.

The following chart summarizes the FFY 2013 accomplishments:

ONE-YEAR HOUSING OUTCOMES	AMOUNT OF FUNDS	NUMBER
1. Expand the availability and supply of safe, decent, affordable, and accessible rental housing for very-low and low-income individuals and families.	\$347,409,649	4,999 units created
2. Improve and preserve the existing affordable housing stock and neighborhoods.	\$351,609,649	545 units
3. Increase homeownership opportunities for low and moderate-income households.	\$253,745,611	1,617 households purchased homes
4. Assist homeless or at risk of becoming homeless and special needs individuals and families obtain and maintain permanent housing, with needed support services to become self-sufficient.	\$392,626,542	25,647 households & 362,056 individuals were assisted & 25 additional shelter beds were created
5. Support local jurisdictions' planning processes to reduce and end homelessness.	\$875,911	275 agencies
6. Promote lead-based paint education and abatement efforts.	\$0	NA
7. Preserve and maintain safe and decent housing stock to assure a mix of housing options in all neighborhoods, including temporary and permanent housing.	\$217,654,446	4,500 units
8. Support community and economic development programs that expand business enterprises and increase job opportunities for low- and moderate-income households.	\$16,759,582	33 grants (30,000 individuals)
9. Promote fair housing practices and educate the public about the benefits and the need for affordable housing.	N/A	Developing fair housing web site

Chart - 4

Outcomes

4. Summary of citizen participation process and consultation process

The preparation of the Consolidated Plan involved the following: posting of an electronic needs survey; a developmental conference call; meetings with program grantees; a review of customer service calls; the recommendations made by the Governor's Interagency Council on Homelessness; developmental hearing on fair housing and a hearing on the draft plan.

Needs Survey: DCA posted a needs survey in English and Spanish on February 25, 2015; the survey remained on-line for 17 days. E-mail notifications regarding the survey's availability were sent to all of the County Continuum of Care and DCA's CDBG, ESG and HOME grantees and the Community Development Block Grant entitlement agencies. DCA received responses from 79 respondents.

Developmental Conference Call: DCA held a developmental conference call on March 9, 2015 to obtain public input on the housing and community development needs throughout the State. The conference call notification was posted on the Division of Housing and Community Resources' web site on February 24, 2015. In addition, e-mail notifications were sent to all of the County Continua of Care and DCA's CDBG, ESG and HOME grantees and the Community Development Block Grant entitlement agencies. For those persons who were unable to attend the conference call, written comments on the needs of the State were accepted until March 17, 2015. Twenty-six individuals representing local government, county government, a CoC, nonprofits and a mortgage company participated on the call. In addition, DCA received verbal and/or written comments from 23 participants.

Meetings with Program Grantees: During the course of the past year, the State gathered input on New Jersey's housing and community development needs. These meetings were conducted in order to ensure that the interests and needs of all groups were being adequately addressed. These agencies are on the "front line" and provide the direct services to New Jersey's very low, low and moderate-income households. During these meetings, the priorities of the programs and how the funds can be used more effectively was also discussed.

Customer Serviced 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 9 week period (December 1, 2014 – January 31, 2015). During this time period, the Customer Service Unit received over 721 calls; the callers' major needs were predominately rental assistance, followed by housing accessibility and affordable housing.

Hearing on Fair Housing: On April 24, 2015, DCA conducted a public hearing to analyze and discuss the impediments to fair housing choice; 14 individuals representing nonprofits and local government agencies attended.

Posting of Draft Plan: The draft plan was posted on the Division’s web site for a 30 day public comment period. In addition, a public hearing was held on July 14, 2015 to allow the public to submit oral or written comments on the draft plan. Based on the comments received, a final plan document was drafted and submitted to the Newark office of the Department of Housing and Urban Development for review.

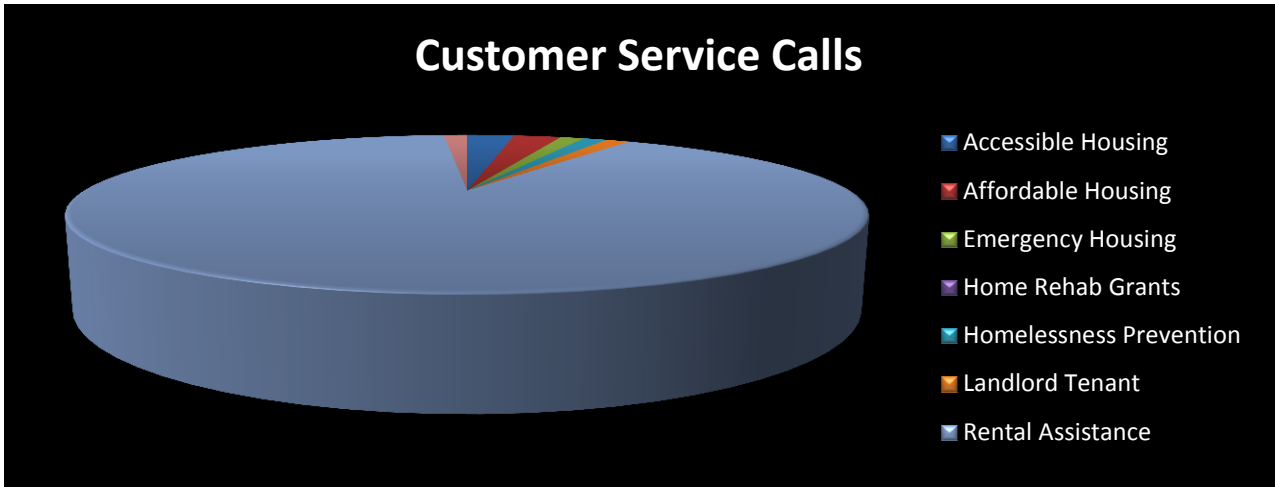


Chart - 5

5. Summary

DCA took all of the comments into consideration. Please see comments section in Attachments

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

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	
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		

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

Sheri Malnak
NJ Department of Community Affairs
Division of Housing and Community Resources
PO Box 051
Trenton, New Jersey 08625-0051

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

1. Introduction

The State through the Department of Community Affairs, Department of Human Services, the Housing and Mortgage Finance Agency and the Department of Health continued to work at enhancing coordination between housing and service providers throughout the state. This was accomplished through 1) grantee meetings with affordable housing developers, mental health providers, shelter providers, homeless assistance and prevention service providers, and local government agencies; 2) the Governors Interagency Taskforce to End Homelessness which was comprised of 15 public members and 11 ex-officio representatives of state government agencies; and 3) HMIS meetings that were attended by the agencies participating in the NJ Collaborative.

Affordable housing developers, mental health providers, shelter providers, homeless assistance and prevention service providers, and local government agencies were consulted through grantee meetings. These meetings were conducted in order to ensure that the interests and needs of all groups were being adequately addressed. During these meetings, the priorities of the programs and how the funds can be used more effectively was also discussed. As both State and federal funding becomes scarcer, these types of meetings will continue. The consensus from the comments received was that the major housing and community development needs continue to be the following:

1) Providing decent, safe affordable housing for both families and disabled households; 2) Providing safety nets and services to stabilize the homeless population and eventually move them into permanent housing; 3) Supporting community and economic development projects that will help stabilize neighborhoods; and 4) Continuing to fund initiatives such as Housing First.

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 (91.215(l))

Governor Christie's Interagency Council on Homelessness is an example of enhanced coordination between public and assisted housing providers and private and governmental health, mental health and service agencies. The Council which was comprised of a diverse group of people, developed recommendations and provided a State Plan to end homelessness in New Jersey in ten years. This cooperation and planning helped strengthen existing efforts by improving the coordination and delivery of programs and services to those in need. On April 27, 2015, Governor Chris Christie announced the

formation of a Working Group to further explore ways in which to reduce and prevent homelessness in New Jersey. Specifically, the Working Group will consider implementation of the proposals put forth by the Interagency Council, including housing first policies, rapid re-housing, and improved coordination among state agencies and social service providers that deliver key services to homeless individuals and families and those at risk of homelessness.

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 regularly attend CoC meetings and work closely with CoC staff to administer New Jersey's homeless programs. In addition, DCA sent a copy of the draft plan to all of the CoCs to review and requested that they specifically look at the Emergency Solutions Grant section of the Plan.

The New Jersey Statewide Homeless Management Information (HMIS) Collaborative is a unique technology partnership between state agencies and 19 CoCs local homeless planning communities. Participating CoCs 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.

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

State representatives regularly attend CoC meetings and work closely with CoC staff to administer New Jersey's homeless programs. DCA notified all of the CoCs about the online public survey and developmental conference call in order to obtain their input on needs and funding priorities. In addition, DCA sent a copy of the draft plan to all of the CoC's to review and requested that they specifically look at the Emergency Solutions Grant section of the Consolidated Plan to CoC's. The New Jersey Statewide Homeless Management Information (HMIS) Collaborative is a unique technology partnership between state agencies) and 19 Continuum of Care (CoC) local homeless planning communities. Participating CoC's 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.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
	Agency/Group/Organization Type	Housing Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	HMFA provided data on HMIS, affordable housing and special needs housing. DCA and HMFA will continue to work together to address the needs of the State.
2	Agency/Group/Organization	NEW JERSEY DEPARTMENT OF HEALTH
	Agency/Group/Organization Type	Housing Services-Children Services-Persons with HIV/AIDS Services-Health Other government - State
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth HOPWA Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Department of Health and DCA continued to work together to assist individuals diagnosed with HIV/AIDs and to identify and provide assistance to households impacted by lead-based paint,
3	Agency/Group/Organization	HPRP grantees
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	DCA continued to meet with its Homelessness Prevention and Rapid Re-Housing grantees to discuss how to identify the homeless and how to convince same to accept services.
4	Agency/Group/Organization	Shelters
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	DCA continues to discuss homeless needs throughout the State with emergency shelters and transitional housing facilities. DCA will continue to discuss these needs with these facilities.
5	Agency/Group/Organization	CSBG Grantees
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans Economic Development Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	DCA staff met with its Community Services Block Grant grantees to discuss issues such as employment, education, income management, housing, nutrition, emergency services, and health.

Table -2

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

The State consulted all relevant agencies

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	CoC 10 year plans	The plans' goals are to assist households experiencing homelessness and decrease the number of homeless households
Analysis of Impediments to Fair Housing	Department of Community Affairs	The Analysis of Impediments to Fair Housing Choice was updated to identify remaining challenges in ensuring equitable housing choices for all New Jersey residents.
Together North Jersey Regional Plan for Sustainable	Edward J. Bloustein School for Planning and Public Policy at Rutgers University	Regional Plan for Sustainable Development (RPSD) for 13 counties

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))

The State of New Jersey held conference calls and meetings with affordable housing advocates, community-based organizations, interested residents and local government agencies to obtain input on the needs in New Jersey. DCA encouraged local and county government to participate in the development of the Consolidated Plan. DCA sent email notifications to both non-entitlements and entitlements informing them of the online public survey, developmental conference call and hearing and the posting of the draft plan.

PR-15 Citizen 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 the 2015-2019 Consolidated Plan, in accordance with the current Citizen Participation Plan.

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)
1	Developmental Conference Call	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	26 participants	Incorporate the findings and recommendations of the HUD-funded Together North Jersey (TNJ) Regional Plan for Sustainable Development; include information on National Affordable Housing Trust Fund money that the State is expected to receive in 2016; need to preserve existing affordable housing; need for foreclosure intervention; affordable new rental construction, especially for the lowest-income households; there are entrenched patterns of racial and economic segregation reinforced by housing policy; the need for additional tenant-based rental vouchers; the need for a comprehensive strategy to end homelessness grounded in the housing first approach; special needs populations should be able to live in communities of their choosing across the State; the importance of housing security and stability for families, children, individuals, neighborhoods, and communities; a substantial increase in the supply of permanent, affordable rental housing, especially for the lowest-income and most disadvantaged households; meaningful discharge policies for people being discharged from institutions.		http://www.nj.gov/dca/divisions/dhcr/announcements/pdf/ntc_con_plan_conference_call.pdf

2	Needs Survey	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	79 responses	See Appendix	All responses were included in the survey results	http://www.nj.gov/dca/divisions/dhcr/announcements/pdf/nj_con_plan_needs_survey.pdf
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3	Public Meeting	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	14 attendees	<p>Recognize fair housing choice as an economic issue for the state; draw from the Together North Jersey Fair Housing and Equity Assessment; include issues of ethnic and racial segregation in its analysis of fair housing impediments and specific strategic objectives to reducing these impediments with discussion of appropriate milestones, deadlines, and plans of action; exclusionary zoning and effects of segregation; funding businesses; the state should consider modifying the accessory unit policy; Policies regarding individuals with mental illness, individuals with disabilities, and individuals formally incarcerated need to be strengthened so that individuals are not released into homelessness; Consolidated Plan must strategically target its National Affordable Housing Trust Funds to increase fair housing choices for extremely low income households.</p>		<p>http://www.state.nj.us/dca/announcements/approved/20150407_dhcr_conplan.html</p>
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4	Public hearing and comment period	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Received comments from 11 agencies	<p>DCA must include individuals with intellectual and developmental disabilities in all of their priorities. DCA should insure that all housing models for individuals with intellectual and developmental disabilities are included – group homes for individuals living in the most challenging situations, individual apartments, scattered site apartments, condominiums and homeownership. DCA should ensure that there are ample federal and state rental vouchers or other subsidies so that persons with disabilities who live on very low-incomes. There is not a single mention of fair housing, or economic or racial/ethnic integration or desegregation, in the ‘Summary of objectives and outcomes identified in the Plan Needs Assessment Overview’ (Item 2, p. 5), the ‘Needs Assessment’ (pp. 20-21), or the Strategic Plan (p. 91), and that nowhere in the draft is there any discussion of the adverse economic consequences that arise from and are perpetuated by this segregation. Consistent with this refusal to address fair housing, the two sentences addressing ‘Geographic Distribution’ (p. 162) under ‘Annual Goals and Objectives’, state that priority in the distribution of funds goes to ‘projects submitted that are ready to proceed’, and that the state does not identify any action to prioritize actions that address racial discrimination, in violation of federal law. There is a lack of demographic data necessary to identify patterns of segregation. The draft acknowledges that, “According to HUD, a disproportionately greater need exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole.” Contrary to the draft’s promise however, the tables that follow (pp. 32 – 34) do not provide either the assessment asserted or the data necessary to make the assessment. This deficiency exists in the data provided for all categories of ‘greater</p>		http://www.nj.gov/dca/announcements/2015/approved/20150702_dhcr_conplan_draft_2015.html
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				<p>need': which include Housing Problems, Severe Housing Problems and Housing Cost Burdens and carries through the descriptions of homelessness by racial and ethnic group and of housing affordability. This draft devotes significant attention to increasing the number of affordable units, but fails to show how that will be done in a way that addresses the lack of housing choice for protected classes. The draft fails to reflect post Sandy housing conditions and needs. The Citizen Participation process employed by the State simply did not comply with federal citizen participation requirements. The State's outreach efforts failed to target residents of blighted areas and businesses, developers, nonprofits, philanthropic organizations and community-based and faith-based organizations. The draft, and the scheduled public hearing, announced in the late afternoon of the last day before an extended national holiday weekend, was published five page levels below the www.state.nj.gov page. The single hearing was held between 10:00 AM and noon on a workday. The information provided was also not sufficiently accessible to people with Limited English Proficiency. While one could push the language selection button near the top of the 'Housing & Community Resources' page and the title to the notice would appear in another language, the Notice itself universally appears only in English. Finally, the link, on the Notice, to the draft, was extremely hard to access and appeared to virtually all who attempted to view the document as inactive for days after the July 2 posting. Executive summary should include a discussion of the State's process for developing the plan and describe key findings of the Needs Assessment.</p>		
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				<p>Barriers to Affordable Housing should identify the barriers and strategies to overcome barriers in a more particular and state specific manner – barriers should be linked to proposed strategies. The institutional delivery structure and coordination should be more inclusive of entities beyond government agencies.</p> <p>Antipoverty strategy should specifically describe the goals and programs and policies to reduce the number of persons in poverty. The plan must include a priority homeless needs table and a summary of priority housing and supportive service needs of the non-homeless.</p>		
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Table 3 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The following assessment addresses the affordable housing, community development, and homelessness needs of the State of New Jersey which include: Housing Needs Assessment, Disproportionately Greater Need, Public Housing, Homeless Needs Assessment, Non-Homeless Special Needs Assessment, and Non-Housing Community Development needs.

The needs assessment is a combination of the information obtained from the developmental conference call, the electronic needs survey, data from the most current American Community Survey and pre-populated data tables provided by HUD.

The following summarizes the data:

The residential population of the State was 8,899,339 in 2013, comprising 3,176,139 households.

- Fifty-one percent of the population was female; 68% of the population was White
- New Jersey's most populous counties are Bergen, Essex, Middlesex, and Hudson and the least populated counties are Salem, Cape May, and Cumberland
- Middlesex, Somerset, Hudson, and Bergen counties have the largest proportional concentrations of Asians
- Essex, Cumberland, Camden, Mercer, and Union have the largest concentrations of African-Americans
- Sussex, Ocean, Hunterdon, Cape May, and Warren counties have the highest population concentration of Whites
- Multi-racial individuals are most commonly found in Passaic, Hudson, Cumberland, and Atlantic counties

Median family income in 2013 was \$70,165.

New Jersey is the fifth most expensive housing market in the country.

The majority of low-income households were small family households.

New Jersey has 3,578,260 housing units, 57% of which are owner-occupied and 32% are renter occupied.

The state's housing stock is predominantly old; 68% of the units were built before 1980.

Severe cost burden and overcrowding were issues for very low-income households

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

The following table 4 (Demographics) shows population, number of households, and median income estimates for New Jersey using 2013 ACS data. The State's population has only increased slightly 6% between 2000 and 2013 while median income has increased significantly 27%.

The data from the 2013 American Community Survey shows that the population in New Jersey is diverse:

- 51% of the population is Female
- 49% of the population is Male
- 68% of the population is White
- 14% of the population is Black/African American
- 9% of the population is Asian
- 9% of the population is other
- The median age is 39 years old.

Tables 5-6 (Number of Households) show the total number of households in New Jersey, broken up by income and type of household. Small family households have 2-4 members and large family households have 5 or more members. It is important to note that Total Households is the total number of households at that income level, but is not the sum of the household types listed below it. Table 2 shows that the majority of the households in New Jersey have incomes above 100% of HUD Area Median Family Income (HAMFI); the second largest group is households with incomes between 50% to 80% of HAMFI.

Tables 7-12 show the number of households with different types of housing problems, broken up by tenure (renter or owner) and income level. Housing problems in general are concentrated at lower income levels, up to 50% of AMI for renters and up to 80% of AMI for owners. As expected, households with higher incomes experienced fewer problems. The most common housing problems are severe cost burden and overcrowding, especially for households with incomes up to 30% of AMI. In most cases, renters experienced a higher rate of housing problems than homeowners.

Demographics	Base Year: 2000	Most Recent Year: 2013	% Change
Population	8,414,350	8,899,339	6%
Households	3,065,774	3,176,139	4%
Median Income	\$55,146.00	\$70,165.00	27%

Table 4 - Housing Needs Assessment Demographics

Data Source

Comments: 2013 American Community Survey

Annual Demographic Profile for New Jersey: 2013		
Demographic Characteristics	Number	Percent
Total population	8,899,339	100.0%
Male	4,343,749	48.8%
Female	4,555,590	51.2%
18 years and over	6,877,442	77.3%
Male	3,309,625	37.2%
Female	3,567,817	40.1%
65 years and over	1,284,407	14.4%
Male	543,640	6.1%
Female	740,767	8.3%
Median age (years)	39.4	
Race		
White	6,068,475	68.2%
Black or African American	1,215,836	13.7%
American Indian and Alaska Native	16,422	0.2%
Asian	801,879	9.0%
Native Hawaiian and Other Pacific Islander	1,633	0.0%
Some other race	577,756	6.5%
Two or more races	217,338	2.4%
Hispanic Origin		
Hispanic or Latino (of any race)	1,684,014	18.9%
Not Hispanic or Latino	7,215,325	81.1%
Households and Families By Type		
Total households	3,176,139	100.0%
Family households (families)	2,207,108	69.5%
Married-couple family	1,609,473	50.7%
Male householder, no wife present, family	160,268	5.0%
Female householder, no husband present, family	437,367	13.8%
Nonfamily households	969,031	30.5%
Average household size	2.74	
Average family size	3.32	
Income		
Median household income (dollars)	\$70,165	
Housing Occupancy and Tenure		
Total housing units	3,578,260	100.0%
Occupied housing units	3,176,139	88.8%
Owner-occupied	2,034,223	56.8%
Renter-occupied	1,141,916	31.9%
Vacant housing units	402,121	11.2%

Data Source: American Community Survey (ACS): 2008-2013.

Table 5

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	398,770	350,825	428,000	303,130	1,700,125
Small Family Households *	120,615	119,310	167,695	133,755	958,575
Large Family Households *	24,545	26,950	40,420	29,170	181,355
Household contains at least one person 62-74 years of age	74,805	70,210	86,655	60,110	305,495
Household contains at least one person age 75 or older	91,980	85,740	71,135	36,285	114,920
Households with one or more children 6 years old or younger *	66,140	57,710	70,995	51,065	177,940
* the highest income category for these family types is >80% HAMFI					

Table 3 - Total Households Table

Data 2007-2011 CHAS

Source:

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80- 100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	7,320	4,560	3,225	1,375	16,480	915	935	1,250	1,080	4,180
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	11,450	10,015	7,995	3,815	33,275	620	1,210	1,640	830	4,300
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	10,910	9,280	9,065	4,055	33,310	1,085	1,885	3,250	2,605	8,825
Housing cost burden greater than 50% of income (and none of the above problems)	153,065	67,400	16,060	2,055	238,580	98,485	82,965	79,095	35,975	296,520
Housing cost burden greater than 30% of income (and none of the above problems)	27,035	66,535	81,260	22,310	197,140	12,940	51,610	74,975	69,105	208,630
Zero/negative Income (and none of the above problems)	20,880	0	0	0	20,880	9,890	0	0	0	9,890

Table 4 – Housing Problems Table

Data 2007-2011 CHAS

Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	406,735	253,945	152,105	44,810	857,595	218,690	230,715	243,350	148,210	840,965
Having none of four housing problems	107,425	121,770	220,195	169,605	618,995	22,505	106,710	232,360	241,245	602,820
Household has negative income, but none of the other housing problems	20,880	0	0	0	20,880	9,890	0	0	0	9,890

Table 5 – Housing Problems 2

Alternate Data Source Name:

2013 American Community Survey

3. Cost-burdened is defined as families who pay more than 30 percent of their income for housing. The below chart shows that over 1 million renters and 2 million homeowners are cost-burdened.

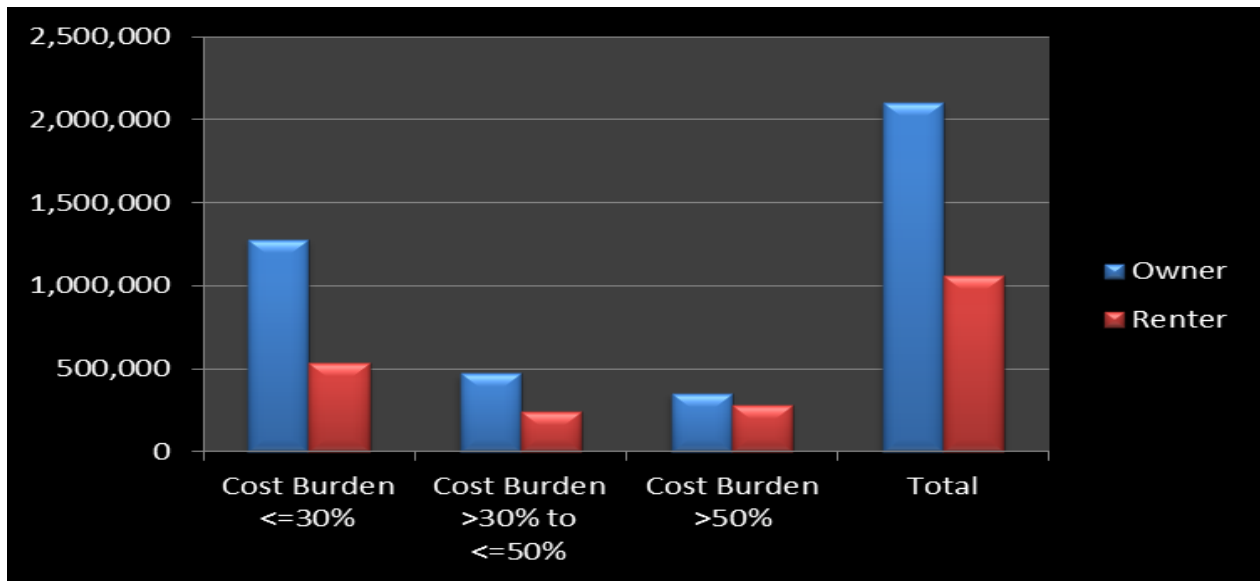


Table 9 - Data Source: 2008-2012 CHAS

	Renter				Owner			
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	78,665	68,850	46,930	194,445	24,330	35,540	64,840	124,710
Large Related	16,295	12,895	7,950	37,140	5,715	10,985	19,460	36,160
Elderly	56,830	31,715	16,740	105,285	67,015	76,095	51,645	194,755
Other	53,735	40,275	34,050	128,060	16,735	15,500	22,525	54,760
Total need by income	205,525	153,735	105,670	464,930	113,795	138,120	158,470	410,385

Table 10 – Cost Burden > 30%

Data 2007-2011 CHAS

Source:

Housing Problems

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	70,880	32,170	7,375	110,425	23,010	27,095	38,505	88,610
Large Related	14,695	4,725	960	20,380	5,270	8,905	10,755	24,930
Elderly	41,960	16,095	3,630	61,685	56,690	37,685	19,490	113,865
Other	47,685	20,925	4,960	73,570	15,635	11,690	12,810	40,135
Total need by income	175,220	73,915	16,925	266,060	100,605	85,375	81,560	267,540

Table 6 – Cost Burden > 50%

Data 2007-2011 CHAS

Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	19,940	16,600	13,490	6,230	56,260	1,420	2,435	3,595	2,420	9,870
Multiple, unrelated family households	1,880	1,955	2,765	1,165	7,765	280	620	1,275	1,025	3,200
Other, non-family households	985	1,175	1,050	535	3,745	15	90	55	60	220
Total need by income	22,805	19,730	17,305	7,930	67,770	1,715	3,145	4,925	3,505	13,290

Table 7 – Crowding Information – 1/2

Data 2007-2011 CHAS

Source:

	Renter				Owner			
	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	Total	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 8 – Crowding Information – 2/2

Data Source: 2007-2011 CHAS

Describe the number and type of single person households in need of housing assistance.

There are a significant number of single person households (over 13,000) who lived in an emergency shelter or transitional housing facility this year. The following chart identifies the percentage of single person households:

Single Person Households in Need of Housing Assistance		
	Emergency Shelter	Transitional Housing
Chronic Health Condition - Disability (Admission)	12.8%	14.3%
Developmental Disability (Admission)	12.8%	16.0%
HIV/AIDS - Disability (Admission)	0.8%	1.4%
Physical Disability (Admission)	47.0%	41.9%
Substance Abuse - Disability (Admission)	26.6%	26.4%

Table 13: Disabled Households in Need of Housing Assistance

Data Source: HMIS (NJ Collaborative)

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

According to the 2015 PIT count, there were 877 victims of domestic violence in need of housing assistance, 785 households resided in an emergency shelter or transitional housing facility, 2 resided in a safe haven and 90 households were unsheltered. According to 2015 HMIS data, over 5,900 families lived in an emergency shelter or transitional housing facility this year; 651 of these households have a disability or were victims of domestic violence.

What are the most common housing problems?

The most common housing problem in New Jersey is cost burden. A household is cost burdened when housing costs are greater than 30 percent of the household income. Approximately 875,000 households having income up to 80% of AMI are cost burdened; 53% of these households are renters. The majority of cost burdened renters (44 percent) are at 0%-30% of AMI, 33 percent are at 30%-50% of AMI, and 23 percent are at 50%-80% of AMI.

Of the cost burdened households, 47 percent are homeowners. Approximately 28 percent of the cost burdened homeowners are at 0%-30% of AMI, 34 percent are at 30%-50% of AMI, and 38 percent are at 50%-80% of AMI.

Of the households that are cost burdened, 533,600 households are considered severely cost burdened or having housing costs greater than 50 percent of household income. A vast majority of severely cost burdened renters (66 percent) are in the 0%-30% AMI range, whereas 38 percent of severely cost burdened homeowners fall within this range.

Are any populations/household types more affected than others by these problems?

Households with lower incomes are more likely to have at least one severe housing problem (such as lacks kitchen or complete plumbing, severe overcrowding, or severe cost burden). Approximately 85 percent of renters and 60 percent of homeowners with severe housing problems are at 0%-50% of AMI. The elderly and small related families also appear to have the most problems.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Very low-income households (those at or below 30% of the area median income) spending in excess of 50% of their income for gross rent (rent plus tenant paid utilities) are particularly vulnerable to an unexpected financial or personal crises which could lead to homelessness. Among these households, single-parent households with children are the most vulnerable. They have a greater need for affordable housing, accessible day care, health care, and other supportive services. Because of their lower income and higher living expenses, single-parent households are at imminent risk of becoming homeless. The major needs for these households are money management and budget counseling along with job training and affordable child care. In rural New Jersey, adequate public transportation is also a huge need.

The benefit to participants of a rapid re-housing program is the on-going case management and wrap around services that they receive over the duration of the program. The major need for those households exiting the program is to locate and secure decent affordable housing.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

Not Applicable

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Instability and increased risk of homelessness are associated with the lack of financial resources; temporarily living in the home of another; imminent eviction; living in a hotel or motel; living in severely overcrowded housing; exiting an institution (jail; mental health facility) or aging out of foster care. Other areas that could impact stability are prolonged unemployment; deteriorated housing; domestic violence; mental illness; drug or alcohol addictions; death of a family member; abandonment by a spouse; medical expenses and/or other unanticipated emergency expenditures such as a major car repair.

Discussion

As expected, lower-income households experience the greatest problems and require the most assistance.

Sandy Information: New Jersey's Action Plan prepared in March 2013 estimated a total unmet housing need of \$2,504,993,992. The assessment was based on FEMA Individual Assistance data from March 2013 indicating that approximately 40,500 homeowners' primary residences and 15,600 rental units sustained "severe" or "major" damage from the storm, as those terms are defined by HUD.

The State has committed to housing initiatives approximately \$2,535,115,602 (or 66 percent) from the three rounds of CDBG-DR. Even with this significant commitment of funding to the housing sector, unmet housing needs in New Jersey remain significant. The State remains committed to providing assistance to those households with the most limited financial resources and significant rebuilding needs. The State allocated \$40 million of second tranche CDBG-DR funds to target LMI households that may have been eligible for RREM assistance but did not submit an application during the RREM

application period, of which \$10 million will be initially reserved for households in manufactured housing.

Superstorm Sandy significantly reduced the supply of rental housing stock, and displacement caused by the storm increased demand for rental housing. Increased demand, coupled with the storm-related depletion of rental stock, substantially increased rents in some areas. The State has reserved \$30,000,000 of the CDBG-DR allocations to FRM from the first two funding rounds specifically to address damages to public housing units and other federally-funded housing. To assist households and individuals having special needs, the State allocated \$59.7 million to capitalize the Sandy Special Needs Housing Fund. This program, which continues to receive significant demand, provides funding to experienced for-profit and nonprofit developers to construct quality, permanent affordable rental housing throughout New Jersey. The State will continue to prioritize the use of CDBG-DR funds to address the housing needs of LMI populations, including through the LMI Homeowners Rebuilding Program, described above.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

According to HUD, a disproportionately greater need exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole. The following will provide an assessment on the disproportionate housing need in New Jersey. An analysis of the data in the Disproportionally Greater Need 0-30% AMI: Housing Problems table shows the following: 82% of the households in this income bracket have one or more housing problems, ranging from 71% to 100% in each racial and ethnic category. The highest incidence of problems (100%) occurred in the Pacific Islander racial category, which represented less than 0.1% of the population for this income bracket.

An analysis of the data in the Disproportionally Greater Need 30-50% AMI: Housing Problems table shows the following: 85% of the households in this income bracket have one or more housing problems, ranging from 79% to 92% in each racial and ethnic category. The highest incidence of problems (92%) occurred in the Asian racial category, which represented less than 0.1% of the population for this income bracket.

An analysis of the data in the Disproportionally Greater Need 50 – 80% AMI: Housing Problems table shows the following: 65% of the households in this income bracket have one or more housing problems, ranging from 58% to 86% in each racial and ethnic category. The highest incidence of problems (86%) occurred in the Pacific Islander racial category, which represented less than 0.1% of the population for this income bracket.

An analysis of the data in the Disproportionally Greater Need 80 –100% AMI: Housing Problems table shows the following: 47% of the households in this income bracket have one or more housing problems, ranging from 43% to 94% in each racial and ethnic category. The highest incidence of problems (94%) occurred in the Pacific Islander racial category, which represented less than 0.1% of the population for this income bracket.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	341,570	45,790	31,250
White	166,375	21,250	14,485
Black / African American	72,940	12,630	6,970
Asian	14,535	1,745	3,945
American Indian, Alaska Native	795	150	35
Pacific Islander	115	0	0
Hispanic	81,510	9,670	5,290
0	0	0	0

Table 94 - Disproportionally Greater Need 0 - 30% AMI

Alternate Data Source Name:

2008-2012 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	306,405	55,905	0
White	169,570	36,185	0
Black / African American	49,825	10,100	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Asian	13,570	1,185	0
American Indian, Alaska Native	490	105	0
Pacific Islander	75	20	0
Hispanic	69,050	7,765	0
0	0	0	0

Table 105 - Disproportionally Greater Need 30 - 50% AMI

Alternate Data Source Name:

2008-2012 CHAS

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	273,865	146,145	0
White	159,860	92,585	0
Black / African American	38,605	22,890	0
Asian	16,415	4,980	0
American Indian, Alaska Native	400	290	0
Pacific Islander	24	4	0
Hispanic	54,525	23,845	0
0	0	0	0

Table 116 - Disproportionally Greater Need 50 - 80% AMI

Alternate Data Source Name:

2008-2012 CHAS

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	141,225	159,505	0
White	87,260	103,265	0
Black / African American	18,365	24,025	0
Asian	9,605	7,760	0
American Indian, Alaska Native	115	225	0
Pacific Islander	160	10	0
Hispanic	23,925	22,560	0
0	0	0	0

Table 127 - Disproportionally Greater Need 80 - 100% AMI

Alternate Data Source Name:

2008-2012 CHAS

Eighty-three (83) percent of housing units occupied by low income households lacked complete kitchen or plumbing facilities, were overcrowded (had more than one person per room), or cost more than 30 percent of a household's income, in 2012. This represents a 2.3 percentage point increase from 80.7 percent in 2009. Any of these circumstances are defined by HUD as "housing problems." As shown in the following table, 81.7 percent of the State's low income households were cost-burdened in 2012.

	% of Households with Severe Housing Problems*	% of Households with >30% Cost Burden	% of Low Income Households with at least One Housing Problem**	% of Low Income Households with >30% Cost Burden
New Jersey	23.0%	42.1%	83.0%	81.7%
Atlantic	25.5%	46.5%	81.5%	80.6%
Bergen	23.2%	42.7%	84.1%	83.5%

	% of Households with Severe Housing Problems*	% of Households with >30% Cost Burden	% of Low Income Households with at least One Housing Problem**	% of Low Income Households with >30% Cost Burden
Burlington	16.4%	36.6%	84.8%	84.4%
Camden	21.3%	41.8%	83.5%	82.2%
Cape May	22.9%	40.3%	79.3%	79.0%
Cumberland	23.1%	41.0%	80.1%	79.2%
Essex	29.7%	48.0%	81.7%	79.5%
Gloucester	16.4%	38.1%	83.2%	82.5%
Hudson	28.7%	44.1%	81.7%	79.9%
Hunterdon	16.6%	36.7%	84.8%	83.4%
Mercer	19.2%	37.9%	80.7%	79.7%
Middlesex	20.0%	38.8%	83.6%	82.5%
Monmouth	20.9%	41.7%	83.2%	82.4%
Morris	17.4%	36.5%	85.0%	84.2%
Ocean	21.2%	43.4%	77.0%	76.5%
Passaic	34.3%	51.3%	86.7%	83.7%
Salem	18.6%	37.1%	79.1%	78.6%
Somerset	18.7%	38.1%	87.4%	86.2%
Sussex	19.3%	41.6%	85.9%	85.4%
Union	30.0%	45.8%	87.7%	85.6%
Warren	16.5%	39.7%	80.3%	79.9%

Table 18 - Household Housing Conditions, 2012 Data source: 2008-2012 CHAS Data

Discussion

There are 1,063,065 households with incomes up to 100% of AMI in the State with one or more of the four housing problems. Of that total, 341,570 are very low- income; 306,405 are low-income households; and 273,865 are moderate income households and 141,225 households having one of the four housing problems earn above 80% of AMI. Eighty-three (83) percent of housing units occupied by low income households lacked complete kitchen or plumbing facilities, were overcrowded (had more than one person per room), or cost more than 30 percent of a household's income, in 2012. This represents a 2.3 percentage point increase from 80.7 percent in 2009. Any of these circumstances are defined by HUD as “housing problems.” As shown in the attached table (Household Housing Conditions), 81.7 percent of the State’s low income households were cost-burdened in 2012. Passaic, Union and Essex counties, highly urbanized counties in the northern part of the State, have the highest proportions of households experiencing one or more of the conditions associated with severe housing problems. Passaic and Essex also have the highest proportions of cost burdened households, along with Atlantic County. Low-income households in Union, Somerset, and Passaic have the highest proportion of housing problems, while Somerset, Union, and Sussex counties have the greatest concentration of cost burdened households. Generally, northern New Jersey counties that are part of metropolitan New

York have the highest concentrations of housing problems and cost burdens. However low-income households in Newark and Camden are slightly less likely to experience housing problems when compared to the State average, at 78.3 and 78.7 percent respectively.

Overall, among low to moderate income households, members of racial and ethnic minorities are more likely to experience housing problems than white households. Hispanics and African-Americans are disproportionately exposed to severe housing problems relative to their number among all low to moderate income households, as shown in the below table (Percentage of Low/Moderate Income Racial/Ethnic Group Households with Housing Problems).

Percentage of Low/Moderate Income Racial/Ethnic Group Households with Housing Problems, 2011

	% of <80% AMI Households with at least one Housing Problem*	% of <80% AMI Households with at least one Severe Housing Problem**	Share of <80% AMI Households with Severe Housing Problems	Share of All of <80% AMI Households	Difference
White (including white Hispanics)	54.8%	32.8%	52.8%	59.3%	-6.5%
Black / African American	60.4%	37.1%	18.0%	16.8%	1.2%
Asian	58.7%	40.8%	5.0%	4.4%	0.6%
American Indian, Alaska Native	65.4%	36.8%	0.2%	0.2%	0.0%
Pacific Islander	68.3%	45.4%	0.0%	0.0%	0.0%
Hispanic	66.0%	45.4%	22.7%	18.1%	4.6%

Table 19 - Percentage of Low/Moderate Income Racial/Ethnic Group Households with Housing

Compared to the nation, New Jersey has a below average concentration of deficient housing in terms of incomplete kitchen and plumbing facilities. Roughly 1 in 138 homes in New Jersey lack complete kitchen facilities and 1 in 287 homes lack complete plumbing facilities. Union, Salem, and Cape May counties have the highest proportions of housing without complete kitchen facilities, while Salem, Union, Passaic, and Atlantic have the highest proportions lacking complete plumbing facilities, as shown in the following table (Deficient Housing Concentration, 2013)

Deficient Housing Concentration, 2013

	Total Housing Units	% Occupied Housing without Complete Kitchen Facilities	% Occupied Housing without Complete Plumbing Facilities
United States	132,808,137	0.8%	0.4%
New Jersey	3,578,260	0.7%	0.3%
Atlantic	127,288	0.9%	0.7%
Bergen	355,099	0.3%	0.1%
Burlington	177,010	0.3%	0.2%
Camden	205,780	0.7%	0.1%
Cape May	98,680	1.3%	0.4%
Cumberland	56,196	0.3%	0.1%
Essex	313,760	1.1%	0.4%
Gloucester	111,438	0.6%	0.3%
Hudson	274,540	0.8%	0.4%
Hunterdon	49,658	0.4%	0.2%
Mercer	144,228	0.5%	0.6%
Middlesex	298,129	0.6%	0.3%
Monmouth	259,791	0.6%	0.1%
Morris	190,770	0.9%	0.4%
Ocean	279,034	0.8%	0.4%
Passaic	176,171	0.8%	0.7%
Salem	27,546	1.4%	1.4%
Somerset	125,062	0.3%	0.2%
Sussex	62,150	0.7%	0.2%
Union	200,769	1.4%	0.9%
Warren	45,161	0.5%	0.5%

Table 20 - Deficient Housing Concentration, 2013

Data Source: U.S. Census Bureau, 2013 American Community Survey 1-Year Estimates.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Severe housing problems exist when there is the incidence of at least one of the following housing problems: lack of complete kitchen facilities; lack of complete plumbing; overcrowded households and cost burden greater than 50% of a household's income. According to HUD, a disproportionately greater need exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole. The following tables provide an assessment on the disproportionate housing need in New Jersey based on race and ethnicity.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	299,845	87,515	31,250
White	146,215	41,405	14,485
Black / African American	61,875	23,690	6,970
Asian	13,545	2,735	3,945
American Indian, Alaska Native	640	305	35
Pacific Islander	115	0	0
Hispanic	72,485	18,695	5,290
0	0	0	0

Table 21 – Severe Housing Problems 0 - 30% AMI

Alternate Data Source Name:

2008-2012 CHAS

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	183,390	178,920	0
White	99,265	106,490	0
Black / African American	27,590	32,335	0
Asian	9,185	5,570	0
American Indian, Alaska Native	270	325	0
Pacific Islander	75	20	0
Hispanic	44,345	32,470	0
Other	0	0	0

Table 22 – Severe Housing Problems 30 - 50% AMI

Alternate Data Source Name:

2008-2012 CHAS

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	118,810	301,200	0
White	65,035	187,405	0
Black / African American	14,755	46,740	0
Asian	8,795	12,600	0
American Indian, Alaska Native	170	520	0
Pacific Islander	20	15	0
Hispanic	28,025	50,345	0
Other	0	0	0

Table 23 – Severe Housing Problems 50 - 80% AMI

Alternate Data Source Name:

2008-2012 CHAS

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	50,455	250,275	0
White	26,860	163,660	0
Black / African American	6,520	35,875	0
Asian	4,845	12,515	0
American Indian, Alaska Native	30	310	0
Pacific Islander	105	65	0
Hispanic	11,360	35,130	0
Other	0	0	0

Table 134 – Severe Housing Problems 80 - 100% AMI

Alternate Data Source Name:

2008-2012 CHAS

Discussion

A household’s income level is strongly correlated with extent of housing problems that they experience. The above tables show that there are 652,500 households with incomes up to 100% of AMI that experience severe housing problems. Of that total, 299,845 are very low-income; 183,390 are low income households; and 118,810 are moderate income households; and 50,455 households between 80% - 100% of AMI.

An analysis of the data in the Disproportionally Greater Need 0-30% AMI shows the following:

- 72% of the households in this income bracket have one or more housing problems, ranging from 65% to 100% in each racial and ethnic category.
- The highest incidence of problems (100%) occurred in the Pacific Islander category.

An analysis of the data in the Disproportionally Greater Need 30-50% AMI shows the following:

- 51% of the households in this income bracket have one or more housing problems, ranging from 45% to 70% in each racial and ethnic category.

- The highest incidence of problems (79%) occurred in the Pacific Islander racial category

An analysis of the data in the Disproportionally Greater Need 50 – 80% AMI shows the following:

- 28% of the households in this income bracket have one or more housing problems, ranging from 24% to 57% in each racial and ethnic category.
- The highest incidence of problems (57%) occurred in the Pacific Islander racial category, which represented less than 0.1% of the population for this income bracket.

An analysis of the data in the Disproportionally Greater Need 80 –100% AMI: shows the following:

- 17% of the households in this income bracket have one or more housing problems, ranging from 9% to 62% in each racial and ethnic category.
- The highest incidence of problems (62%) occurred in the Pacific Islander racial category

New Jersey's share of overcrowded housing is similar to that of the nation. 3.4 percent or roughly 1 out of 30 housing units has more than one occupant per room. Overcrowding is a much more severe problem for households that rent compared to owner-occupied households. Passaic, Union, and Hudson counties have the highest proportions of overcrowding in general. Passaic, Union, and Atlantic counties have the largest concentrations of overcrowding in owner-occupied housing. Passaic, Union, and Middlesex counties have the largest concentrations of overcrowding in renter-occupied housing. See the following table (Overcrowded Housing, 2013).

	Total Occupied Housing Units	% of Occupied Housing Units with More than One Occupant per Room	% of Owner Occupied Housing Units with More than One Occupant per Room	% of Renter Occupied Housing Units with More than One Occupant per Room
United States	115,731,304	3.3%	1.1%	6.2%
New Jersey	3,181,152	3.4%	0.8%	7.6%
Atlantic	101,243	3.7%	1.2%	7.5%
Bergen	335,087	2.3%	0.7%	4.7%
Burlington	164,194	1.3%	0.6%	3.4%
Camden	185,772	2.2%	0.6%	4.9%
Cape May	40,506	1.3%	0.6%	2.7%
Cumberland	50,047	3.8%	1.0%	8.2%
Essex	276,690	4.9%	0.8%	7.5%
Gloucester	103,963	1.1%	0.5%	3.4%
Hudson	246,114	7.0%	1.1%	8.7%
Hunterdon	46,512	1.6%	0.3%	7.9%
Mercer	131,326	2.3%	0.7%	4.8%
Middlesex	282,106	4.2%	0.9%	9.2%
Monmouth	233,249	1.5%	0.3%	4.8%
Morris	180,148	1.3%	0.3%	4.1%
Ocean	221,050	1.9%	0.5%	7.5%
Passaic	162,526	8.9%	1.8%	15.4%
Salem	24,635	1.1%	0.6%	1.8%
Somerset	114,778	1.9%	0.7%	5.1%
Sussex	54,103	1.0%	0.5%	2.6%
Union	185,405	6.7%	1.2%	13.5%
Warren	41,698	1.5%	0.3%	4.4%

Table 25 - Source: U.S. Census Bureau, 2011-13 American Community Survey 3-Year Estimates.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The following chart identifies data on the number of households that are cost burdened in the State of New Jersey by race and income. According to HUD's definition, a disproportionately greater need exists when the members of a racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. The definitions for cost burden are as follows:

- No Cost Burden: Households paying less than 30% of monthly income for housing
- Cost Burden: Households paying between 30-50% of monthly income for housing
- Severe Cost Burden: Households paying above 50% of monthly income for housing

Although, an analysis of the data shows that none of the groups had a disproportionately greater need, New Jersey residents are cost-burdened.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,810,035	712,925	630,225	33,680
White	1,263,015	443,625	353,895	15,140
Black / African American	189,230	100,845	102,585	7,455
Asian	141,730	44,045	35,345	4,250
American Indian, Alaska Native	2,095	940	1,105	35
Pacific Islander	415	154	175	10
Hispanic	194,640	115,435	127,230	6,180

Table 146 – Greater Need: Housing Cost Burdens AMI

Alternate Data Source Name:

2008-2012 CHAS

Discussion

The above chart identifies data on the number of households that are cost burdened in the State of New Jersey by race and income. According to HUD's definition, a disproportionately greater need exists when the members of a racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. The definitions for cost burden are as follows:

- No Cost Burden: Households paying less than 30% of monthly income for housing
- Cost Burden: Households paying between 30-50% of monthly income for housing
- Severe Cost Burden: Households paying above 50% of monthly income for housing

An analysis of the data shows that although none of the groups had a disproportionately greater need, many residents are cost-burdened.

In 2013, the Census Bureau reported that 42.5 percent of the State's occupied housing units, which includes households at all income levels, have a cost burden of 30 percent or more. More than one in three have a burden in excess of 35 percent. Generally, renters are more cost burdened than homeowners. Over time, the problem has grown for renter households; cost-burdened renters grew from 49.4 percent of renter households in 2009 to 53.8 percent in 2013, a 4.4 percent increase. Passaic, Essex, and Atlantic counties have the highest percentages of homes where the occupants are cost-burdened. Cumberland, Passaic, and Ocean counties have the highest percentage of renter-occupied homes with cost burdens. Essex, Passaic, and Atlantic counties have the highest percentage of owner-occupied homes with cost burdens.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Yes, the previous charts highlight the racial and ethnic groups that have a disproportionately greater need than the income category as a whole.

Disproportionately greater need can be seen in the following income categories:

- 0-30% of AMI: Pacific Islander
- 50-80% of AMI: Asian and Pacific Islander

- 80-100% of AMI: Pacific Islander

If they have needs not identified above, what are those needs?

NA

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

Yes, please see maps in MA 50

NA-35 Public Housing – (Optional)

Introduction

The Department of Community Affairs (DCA) is one of the State's Public Housing Agencies. The following charts identify the type of vouchers that DCA administers. The charts use HUD data collected by the Public and Indian Housing Information Center.

The programs identified in the charts are as follows:

- The Section 8 Rental Certificate Program which increases affordable housing choices by allowing very low-income families to choose privately owned rental housing. The PHA pays the landlord the difference between 30% of the household's adjusted income and the unit's rent.
- The Moderate Rehabilitation Program provides project-based rental assistance for low-income families. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments (HAP) contract between an owner and a PHA.
- Public Housing is the total number of units in developments operated by the Public Housing Authorities within the jurisdiction.
- Vouchers are the total number of Section 8 vouchers (project-based and tenant-based) administered by DCA.
- Veterans Affairs Supportive Housing Program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the U.S. Department of Veterans Affairs (VA). The VA provides these services for participating veterans at VA medical centers and community-based outreach clinics.
- Family Unification Program – Family Unification Program funding is allocated through a competitive process; therefore, not all Public Housing Authorities administer the program.
- Disabled includes non-elderly, mainstream 1-year, and mainstream 5-year.

Totals in Use

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	29	1,099	0	19,601	54	18,864	375	1	219

Table 157 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data PIC (PIH Information Center)

Source:

Characteristics of Residents

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	
# Homeless at admission	0	84	0	82	0	15	64	0	
# of Elderly Program Participants (>62)	1	167	0	4,424	32	4,305	39	1	
# of Disabled Families	1	291	0	5,722	6	5,350	159	0	

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
# of Families requesting accessibility features	29	1,099	0	19,601	54	18,864	375	1
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 168 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	12	393	0	9,960	23	9,618	106	0	154
Black/African American	16	694	0	9,474	31	9,089	261	1	63
Asian	1	1	0	57	0	54	1	0	2
American Indian/Alaska Native	0	1	0	34	0	33	1	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Pacific Islander	0	10	0	76	0	70	6	0	0
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 179 – Race of Public Housing Residents by Program Type

Data PIC (PIH Information Center)

Source:

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	13	259	0	4,233	9	4,139	24	0	47
Not Hispanic	16	840	0	15,368	45	14,725	351	1	172
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 30 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

The greatest need for these households is to secure safe, affordable, accessible housing near public transportation. Many public housing residents are female headed households who are unemployed or underemployed. Therefore, there is a need for subsidized child care to be provided to residents participating in job training and education programs. Public housing residents also need budget counseling and financial literacy classes to address poor credit. In addition, afterschool programs are needed to reduce risky behaviors such as drug addiction and gang violence.

Drug and violent crimes continue to be severe problems in public housing developments, especially ones located in urban areas. It is therefore necessary for PHAs to continue to allocate drug and law enforcement resources to address these issues.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

The chart below shows the family composition of households on the waiting list; 83% of the households are families with children, 7.5% are elderly and 9% are disabled. The most immediate need for these households is to secure decent, affordable housing. Other needs include job training and accessible, affordable day care and public transportation (especially in the rural areas).

Housing Choice Voucher Waiting List Family Composition			
County	Families with Children	Elderly	Disabled
Atlantic	284	18	69
Bergen	440	15	18
Burlington	2	0	1
Camden	863	34	149
Cape May	119	1	73
Cumberland	237	18	13
Essex	3	1	0
Gloucester	186	41	23
Hudson	71	9	3
Hunterdon	110	16	42
Mercer	593	27	31
Middlesex	300	33	10
Monmouth	250	21	5
Morris	422	66	10
Ocean	76	2	1
Passaic	515	95	4
Salem	273	47	135
Somerset	165	8	5
Sussex	143	20	9
Union	438	26	13
Warren	0	0	0
TOTAL	5,490	498	614

Table 31 - DCA Waiting List Composition; Data Source: Housing Pro May 6, 2015

How do these needs compare to the housing needs of the population at large

The needs stated above are similar to the needs of the rest of the low-and moderate-income population in New Jersey. Many of these needs stem from the same core issues: high rents, low incomes and the lack of transportation in the rural areas of the State.

Discussion:

The demand for housing assistance greatly exceeds the number of vouchers available. This is evidenced by lengthy waiting lists and the volume of calls that DCA's Customer Service Unit receives about rental assistance.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

It is difficult to determine exactly how many people are homeless or at-risk of becoming homeless in New Jersey. Therefore, the State utilized the data from two primary sources. The first source is the 2015 Point-in-Time Count, which occurred in January 27, 2015 or February 3, 2015. The purpose of the count is to determine the number of homeless persons, as defined by HUD. The survey showed that there were 10,211 homeless men, women and children that night; 9,237 sheltered and 974 unsheltered in all 21 counties. The majority of the respondents were between 45-54 years old.

The Point in Time Count also collected data on the chronically homeless; 1,425 individuals were chronically homeless (982 sheltered and 443 unsheltered). The majority of the chronic homeless were White, men over the age of 24.

The second source of information on homelessness comes from New Jersey's Homeless Management Information System (HMIS). HMIS is used to collect information on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	78	3,936	0	0	0	180
Persons in Households with Only Children	0	923	0	0	0	180
Persons in Households with Only Adults	896	5,255	0	0	0	180
Chronically Homeless Individuals	439	758	0	0	0	365
Chronically Homeless Families	75	1,174	0	0	0	365
Veterans	85	653	0	0	0	180
Unaccompanied Child	0	0	0	0	0	365
Persons with HIV	26	167	0	0	0	180

Table 32 - Homeless Needs Assessment; Data Source: 2015 Point in Time Count

Number of Homeless Persons by County

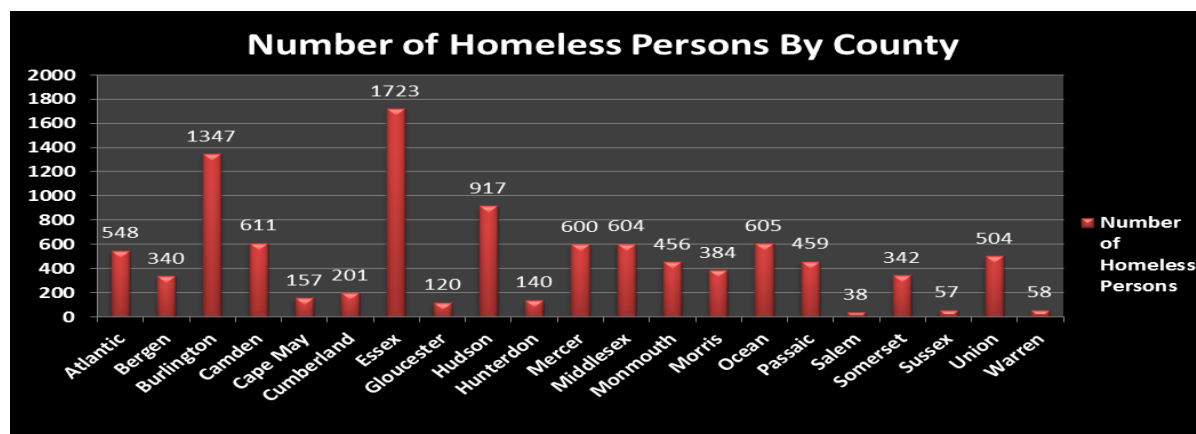


Table 33: Number of Homeless; Alternate Data Source Name: 2015 Point In Time Survey

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Due to the high cost of renting in the State, thousands of New Jersey residents are in need of housing assistance. These households include families who are residing in temporary shelter and will leave the shelter without a stable income to support independent living. According to the 2015 HMIS data, 5,987 adults with children resided in an emergency shelter or transitional housing facility.

In addition, there are a number of homeless veterans that also need housing assistance. According to the 2015 Point in Time Count Survey, there were seven hundred thirty-eight (738) homeless veterans. Ninety-eight percent were adult only households and less than 2 percent were part of families with children. The majority (653) of the veterans resided in transitional housing or emergency shelters. Seven hundred thirty-eight (738) homeless veterans were counted in the 2015 Point in Time Count. Ninety-one percent were households with individual veterans and 2.2 percent were part of families with children. The majority (88%) of the veterans resided in transitional housing or emergency shelters.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Per the 2015 Point in Time Count, the racial and ethnic breakdown of the homeless individuals counted was as follows: 55% were African American, 43% were White, .5% were multi-racial, 1% were Asian, .6% were American Indian/Alaska Native and .4% were Pacific Islander. Seventeen percent of the households were Hispanic.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The following chart (Homeless by Year) shows that the number of homeless identified in the Point in Time Count has averaged over 13,000 over the last 5 years. The largest increase (1,898 persons) occurred between 2013 and 2014 – this increase may have been the result of the number of housing units lost as a result of Superstorm Sandy.

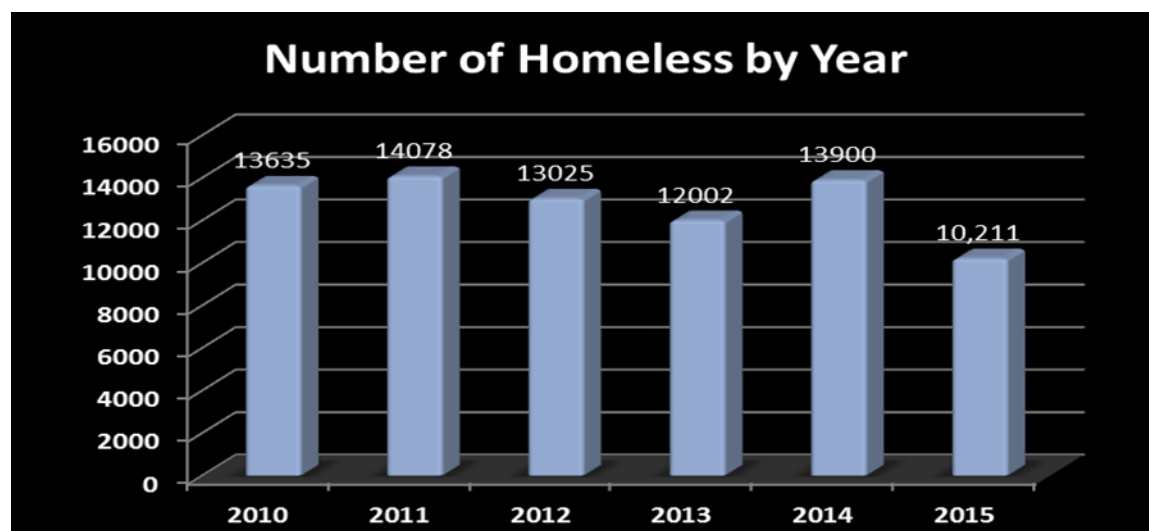


Table 34: Number of Homeless; Alternate Data Source Name: 2015 Point In Time Survey

Discussion:

The needs for the homeless vary depending on the situation. Some homeless households need housing with intensive services such as mental health services and case management. Others may not need as many supportive services. A homeless system that has a variety of options of services, including permanent supportive housing is needed to continue to lower the amount of unsheltered homeless individuals.

Homeless Needs Table: Individuals		Priority
Beds	Emergency Shelters	High
	Transitional Housing	High
	Permanent Supportive Housing	High
Chronically Homeless		High
Homeless Needs Table: Families		Priority
Beds	Emergency Shelters	High
	Transitional Housing	High
	Permanent Supportive Housing	High

Table 35: Homeless Needs

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b, d)

Introduction

New Jersey’s special needs populations include: elderly persons, frail elderly persons, persons with disabilities, persons with alcohol and/or other drug addictions, persons with HIV/AIDS, victims of domestic violence, and veterans.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	38,075
Area incidence of AIDS	0
Rate per population	0
Number of new cases prior year (3 years of data)	0
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	0
Area Prevalence (PLWH per population)	0
Number of new HIV cases reported last year	0

Table 36 – HOPWA Data

Alternate Data Source Name:

New Jersey Residents Living with HIV/AIDS By Age and Gender			
Current Age	Male	Female	Total
0-12	32	41	73
13-19	119	111	230
20-29	1,884	662	2,546
30-39	3,276	1,595	4,871
40-49	6,488	3,596	10,084
over 49	13,765	6,506	20,271
TOTAL	25,564	12,511	38,075

Table 37 - Department of Health Statistics

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	80
Short-term Rent, Mortgage, and Utility	60
Facility Based Housing (Permanent, short-term or transitional)	60

Table 38 – HIV Housing Need

Data

HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

Source:

Non-Homeless Special Needs

Describe the characteristics of special needs populations in your community:

People with special needs are individuals who have a physical or mental disability and/or medical care needs. Special needs populations include elderly persons, frail elderly persons, persons with disabilities, persons with alcohol and/or other drug addictions, persons with HIV/AIDS, victims of domestic violence, and veterans.

These individuals typically reside in single homes or multiple-family dwellings in the State or are residents of hospitals, residential health care facilities, or community-based residences.

What are the housing and supportive service needs of these populations and how are these needs determined?

Housing needs are often determined by the service providers targeted to meet the needs of particular communities. For instance, many agencies that offer shelter for the homeless assess and provide the services needed to meet the needs of their clients.

The housing and supportive service needs are as follows:

Elderly and frail elderly as a result of being on a fixed income are often cost burdened. Many of these households may need home modifications and supportive services so that they can age in place. In addition, this population needs access to affordable transportation and health care.

Persons with disabilities face a range of housing related issues. Many people with disabilities rely solely on Supplemental Security Income to live. This limited income results in this population often paying over

50% of their income for housing. In addition, persons with disabilities also need accessible housing, caregivers and access to affordable transportation.

Persons with alcohol and other drug addictions require a wide range of human service needs. Health problems resulting from substance abuse can cause a financial burden, lead to a physical or mental disability, and also an inability to work. In addition to health concerns and health care needs, addictive disorders disrupt relationships with family and friends.

Persons with HIV/AIDS vary in their needs for housing and housing related services. The effects of HIV/AIDS range from loss or reduction of income to the inability to live independently due to declining health. A range of housing options is needed, including options that allow for in-home caregivers at certain points. Housing linked to mental health and chemical dependency case management is needed for persons who are dually or triply diagnosed – a growing portion of the HIV/AIDS population. Housing and care needs can extend to assisted living support such as in-home medical services, nursing services, and hospice care.

Victims of domestic violence, dating violence, sexual assault, and stalking: Victims of domestic violence have significant immediate needs for shelter and crisis services, and ongoing needs for support to overcome the trauma they have experienced in order to move on with their lives.

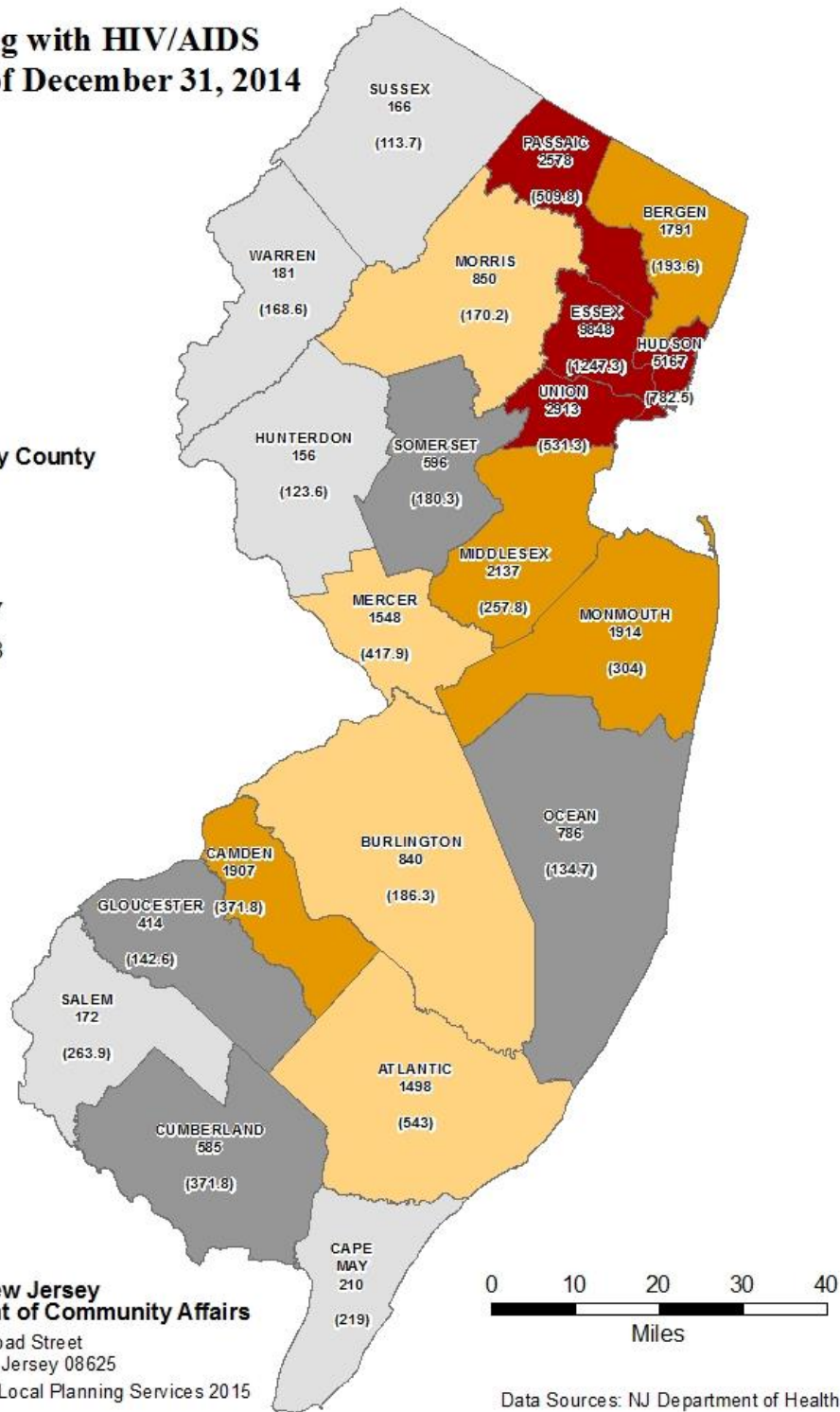
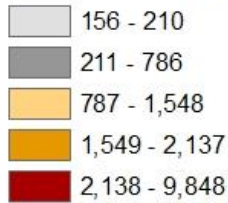
Veterans in addition to housing need a multitude of services including: mental health/ social services counseling; addictions counseling; and vocational rehabilitation counseling and training.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to the New Jersey Department of Health, more than 38,075 people were living with HIV/AIDS as of December 31, 2014.

Persons Living with HIV/AIDS Reported as of December 31, 2014

Reported Cases by County



State of New Jersey
Department of Community Affairs
 101 South Broad Street
 Trenton, New Jersey 08625
 Prepared By: Local Planning Services 2015



Data Sources: NJ Department of Health

Discussion:

Please see chart (Non-Homeless Special Needs); the State views the needs of these population as a high priority.

Non-Homeless Special Needs Including HOPWA		Priority Need
Housing Needs	Elderly	HIGH
	Frail Elderly	HIGH
	Persons w/ Severe Mental Illness	HIGH
	Developmentally Disabled	HIGH
	Physically Disabled	HIGH
	Alcohol/Other Drug Addicted	HIGH
	Persons w/ HIV/AIDS & their families	HIGH
	Public Housing Residents	MEDIUM
Supportive Services Needs	Elderly	HIGH
	Frail Elderly	HIGH
	Persons w/ Severe Mental Illness	HIGH
	Developmentally Disabled	HIGH
	Physically Disabled	HIGH
	Alcohol/Other Drug Addicted	HIGH
	Persons w/ HIV/AIDS & their families	HIGH
	Public Housing Residents	MEDIUM

Table 39: Non-Homeless Special Needs

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

Development of public facilities, public improvements, and infrastructure throughout the state is essential to meet local housing and economic development needs and create suitable living environments. Public Facilities include water, wastewater and storm water systems, streets and sidewalks, and other utilities that make a livable community. In the State's CDBG program, public facilities may also include community centers, parks, fire protection and emergency facilities, food banks and other public or nonprofit buildings where the public, and especially special need populations, can access essential services. These public facilities provide the foundation for successful economic and community development. Existing systems and facilities suffer from old age (the majority of New Jersey's public facilities are 50 years or older), deferred maintenance, and heavy use. Therefore, most of the State's public infrastructure is in need of rehabilitation or reconstruction.

How were these needs determined?

These needs were identified in both the electronic needs survey and meetings with CDBG grantees and stakeholders.

Describe the jurisdiction's need for Public Improvements:

A fully functioning public infrastructure system is critical for the State of New Jersey to meet its local community development, economic development/commercial needs. The State's mayors communicate to DCA on a regular basis that there is an overwhelming need for repairs to streets, street lighting, sewers, water supply or water mains, and blighted buildings. Many of New Jersey's municipalities are in need general reconstruction of their main street. Property damage from recent storms like hurricane Sandy and hurricane Irene has created a severe strain on the infrastructure in the northeastern and coastal areas of the state.

How were these needs determined?

The needs for public facilities were determined through the needs survey and conversations with mayors and local business administrators.

Describe the jurisdiction's need for Public Services:

The state can fund an array of public services with CDBG funds. These services generally target persons with lower incomes and special needs. When asked during public comment sessions about the need for increased funds for public services, stakeholders and grantees advocate for increased funding for public services.

The needs were diverse but followed similar trends. In all areas of the state, respondents felt that there was an urgent need to provide supportive services, services for special needs populations (see NA-35 regarding special needs populations) – persons who experience chronic homelessness, due to mental health issues or substance abuse, and victims of domestic violence were most frequently mentioned. Public comment session attendees also cite transportation issues as exacerbating employment and housing issues, especially in areas in which a car is needed to access employment and services.

How were these needs determined?

The needs were determined through discussions with past and present public facilities grantees, needs survey and consultations with stakeholders. Sandy Information: To augment assistance directly supporting economic development and revitalization, the State implemented two recovery programs funded by CDBG-DR monies and administered by the New Jersey Economic Development Authority (EDA). These programs provide grants and loans to allow businesses to rebuild and expand, which in turn creates jobs for recovering New Jersey households. Superstorm Sandy significantly affected New Jersey's infrastructure. The combination of storm surge, wave action, and high winds damaged or destroyed much of New Jersey's existing coastal risk reduction infrastructure. Breach of New Jersey's dune systems and other extensive flooding in non-coastal areas resulted in significant damage to homes, businesses, and critical infrastructure throughout the State. Sandy highlighted New Jersey's vulnerability to coastal and other flooding and revealed how various infrastructure systems in the State are interdependent. Superstorm Sandy caused extensive damage to New Jersey's energy infrastructure, disrupting delivery of electricity, petroleum, and natural gas to consumers across the State. New Jersey's drinking water and wastewater operations were significantly compromised as a result of Superstorm Sandy, resulting in \$2.6 billion in estimated needs (including emergency repair, recovery, mitigation and resiliency). Superstorm Sandy significantly affected New Jersey's transportation and transit infrastructure, crippling mobility across the region, and wreaking havoc on New Jersey's roadways. In reconstructing the State's transportation infrastructure, the State aims to build back a

more resilient infrastructure. The State has identified a number of additional projects to make transportation infrastructure less susceptible to future storm damage

Infrastructure: In rebuilding, the State has incorporated best practices and a layered approach to hazard mitigation to make transportation infrastructure less susceptible to future storm damage. Approximately 3.8 million New Jersey residents live in the flood plain and are susceptible to flooding. The State's plan to address this flood risk includes enhancing building standards, studying both the cause of flooding and cost-effective, practical solutions to mitigate the risk, and funding initiatives to implement identified solutions. DEP also is moving forward on two large-scale flood mitigation projects in the Meadowlands region and along the Hudson River. Both projects were selected by HUD and funded through HUD's Rebuild by Design (RBD) initiative. Working with HUD, our local communities, and stakeholders, DEP will focus on scaling these projects to available funding to realize flood protection measures consistent with the vision in the RBD project submissions. These RBD projects are discussed in more detail in Action Plan Amendment No. 12.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Housing Market Analysis

This section utilizes the most recent Census Data available to analyze New Jersey's housing market and inventory characteristics, including unmet need and economic factors affecting availability, condition and cost of affordable housing in the State.

Population: The State's population has grown by 485,000 or 5.8 percent since 2000, a rate that equates to approximately 0.45 percent per year. The majority of the state's population growth has occurred in Middlesex, Ocean, Hudson, and Bergen counties in the northern and central parts of the State. Since 2010, nearly two-thirds of the State's population growth has occurred in Bergen, Hudson, and Middlesex counties, with growth in Ocean County slowing considerably. Only Cape May County has lost population since 2000. New Jersey's population is projected to grow by 4.6% from 2006 to 2016. The median age was 38.7 years. 26.2% of the population were under 18 years old and 13.2% were 65 years and older. Within the next 20 years, over 25% of New Jersey's population will be age 65 or older. New Jersey has 7,417.34 sq. miles in land area and a population density of 1,134.5 persons per square mile.

As of the 2010 Census estimates, 82.3% of New Jersey's population was White Non-Hispanic (7,236,750). Hispanics comprised 17.6% (1,555,144) of the population, Black or African American Non-Hispanic comprised 13.7% (1,204,826) and the Asian population comprised of 8.2% (725,726) of the overall population. Although non-Hispanic whites are declining in population, they compose a majority of the State's population at 57.3 percent. Compared to the nation as a whole, New Jersey has a considerably above average share of Asians and minorities (non-whites).

	White	Black	Asian	American Indian and Alaska Native	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races
United States	10.2%	15.2%	56.3%	1.8%	31.8%	-3.6%	37.3%
New Jersey	-0.6%	6.5%	67.0%	-15.8%	-50.9%	28.1%	1.7%
Atlantic	9.8%	-6.1%	74.9%	-41.1%	-100.0%	-18.6%	43.3%
Bergen	-7.1%	18.7%	54.7%	47.1%	-18.7%	113.5%	-15.8%
Burlington	0.0%	14.0%	85.9%	-72.7%	-43.8%	64.9%	62.4%
Camden	-10.4%	12.7%	50.3%	-61.7%	-100.0%	55.2%	69.4%
Cape May	-7.4%	-17.2%	63.7%	-64.5%	555.0%	33.2%	38.7%
Cumberland	-0.6%	13.6%	20.6%	-32.1%	-100.0%	49.0%	29.6%
Essex	-7.8%	-2.1%	32.9%	11.4%	-89.7%	47.1%	-18.0%
Gloucester	7.5%	29.7%	126.6%	-68.6%	-100.0%	210.8%	95.2%
Hudson	9.6%	1.4%	69.6%	-4.5%	-84.6%	-10.5%	-34.2%
Hunterdon	0.5%	74.0%	59.6%	-90.5%	-100.0%	20.5%	25.0%
Mercer	-6.6%	5.8%	116.7%	-60.3%	-82.7%	81.5%	-3.0%
Middlesex	-2.1%	19.6%	82.2%	-24.1%	-67.0%	-19.5%	-4.0%
Monmouth	-0.3%	-3.5%	39.6%	-30.8%	2.0%	69.3%	10.2%
Morris	-0.5%	13.3%	60.4%	-64.9%	-100.0%	83.4%	59.6%
Ocean	12.7%	16.0%	74.9%	-12.3%	-100.0%	69.0%	10.9%
Passaic	9.0%	5.0%	51.8%	16.6%	-28.0%	-31.4%	5.8%
Salem	1.9%	-1.4%	-3.0%	-83.6%	-100.0%	-17.3%	46.4%
Somerset	-3.7%	28.7%	111.1%	49.6%	-100.0%	72.1%	31.1%
Sussex	-1.1%	76.7%	70.9%	-74.5%	110.7%	62.0%	24.6%
Union	-8.6%	7.3%	32.9%	30.5%	163.7%	137.0%	-33.8%
Warren	0.1%	133.1%	138.6%	-88.7%	-100.0%	66.8%	3.9%

Table 40 - Percentage Change in Racial Group Populations, 2000 - 2013

Data Source: U.S. Census Bureau, 2000 Decennial Census; 2013 American Community Survey

MA-10 Number of Housing Units – 91.310(a)

Introduction

New Jersey's housing stock is comprised of a wide variety of unit types. About half of this housing stock is composed of traditional detached homes (54%). Another large housing segment is provided through multifamily units; structures with 5- 20 or more units make up 20% of the housing stock. Mobile homes and other forms of housing such as boats and recreation vehicles (RVs) comprise only 1 percent of all housing in the State.

The majority of residents living in the State are homeowners (68%). Seventy-six percent (76%) of homeowners live in housing units that consist of 3 or more bedrooms. Seventy percent (70%) of renters live in units that are either 1 bedroom (35%) or 2 bedroom (35%) units.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,903,693	53%
1-unit, attached structure	334,704	9%
2-4 units	580,113	16%
5-19 units	361,440	10%
20 or more units	364,051	10%
Mobile Home, boat, RV, van, etc.	34,295	1%
Total	3,578,296	100%

Table 41 – Residential Properties by Unit Number

Alternate Data Source Name:

2013 American Community Survey

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	10,066	0%	82,064	8%
1 bedroom	69,974	3%	367,967	35%
2 bedrooms	420,448	20%	377,038	35%
3 or more bedrooms	1,617,435	76%	235,862	22%
Total	2,117,923	99%	1,062,931	100%

Table 42 – Unit Size by Tenure

Data 2007-2011 ACS

Source:

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

There were 4,999 affordable housing units produced or rehabilitated last year. This assistance came through a mix of federal, state, and local funding sources. The main funding sources for affordable housing are as follows: the Low Income Housing Tax Credit (LIHTC) program, the HOME program, and the Multi-Family Rental Housing Program. The type of financing awarded to a project determines the type of household that will be assisted. The restricted units serve a range of incomes from 0% to 80% of AMI. Many affordable housing units include those for specific groups including persons with disabilities, veterans and the elderly, as well as units generally for low- and moderate-income.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Of the approximately 63,689 affordable housing units in the State's portfolio, approximately 2,979 of these units will end their affordability period in the next five years. The State recognizes the importance of prioritizing the preservation of affordable housing.

Does the availability of housing units meet the needs of the population?

The available housing units do not currently meet the needs of low-income residents. The State consistently sees high rates of severe cost burden, meaning households are paying more than 50% of

their monthly income for housing costs. Overcrowding is also a problem. The persistence of both of these housing problems indicates that the available housing stock is not meeting the needs of the residents. In addition, the number of applicants on the Section 8 waiting lists also illustrates that there is not enough affordable housing.

Describe the need for specific types of housing:

New Jersey continues to need the following types of housing:

- Accessible housing or housing that can be modified for persons with disabilities.
- Affordable housing is needed for persons with HIV/AIDS
- Affordable housing for large family households
- Affordable housing for elderly households because they are often on a limited, fixed income.
- Permanent supportive housing for homeless, including chronically homeless
- Affordable housing for the post-incarcerated, aging out youth, veterans, and individuals being discharged from nursing homes and other institutions.

Discussion

The demand for affordable housing is driven by the high cost of housing in New Jersey. There continues to be a need for quality, affordable housing, especially for special needs populations and low-income families.

MA-15 Cost of Housing – 91.310(a)

Introduction

Many households in New Jersey struggle with the housing costs, and a significant portion pay more than 30 percent of their income for rent or mortgages. According to the below data, the average sales price in the New Jersey was \$349,100 in 2011, a 108% increase over a 10 year period. The median contract rent also increased by 46 percent. As the housing market continues to grow at a rate that outpaces that of wages, cost burdens will continue to be a concern. The National Low Income Housing Coalition noted in their recent report, Out of Reach 2015, that a household in New Jersey must earn an annual income of \$52,347 to afford the two-bedroom Fair Market Rent of \$1,309 per month.

Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	167,900	349,100	108%
Median Contract Rent	672	979	46%

Table 43– Cost of Housing

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	147,842	13.9%
\$500-999	427,078	40.2%
\$1,000-1,499	342,801	32.3%
\$1,500-1,999	95,814	9.0%
\$2,000 or more	49,396	4.7%
Total	1,062,931	100.0%

Table 44 - Rent Paid

Data 2007-2011 ACS

Source:

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	81,135	No Data
50% HAMFI	199,410	55,375
80% HAMFI	558,830	172,840
100% HAMFI	No Data	339,260
Total	839,375	567,475

Table 45 – Housing Affordability

Data 2007-2011 CHAS

Source:

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1025	1063	1269	1637	1871
High HOME Rent	1025	1063	1269	1535	1694
Low HOME Rent	801	858	1030	1190	1327

Table 46 – Monthly Rent (Essex County)

Data Source: HUD March

2015

Is there sufficient housing for households at all income levels?

The available data indicates that there is not sufficient affordable housing for lower-income households. Both rent and sales prices are both increasing faster than incomes throughout the State. Recent affordable housing construction statewide is predominately special needs housing and SRO facilities outside of the urban areas. Affordable rental units of 3 or more bedrooms, both in the urban and suburban areas, are scarce. Although the for-sale market is healthy they remain out of reach for many low and moderate income households.

How is affordability of housing likely to change considering changes to home values and/or rents?

Due the recent financial crisis, housing prices as with the rest of the country, dropped substantially. However, due to the tighter financial control many buyers were locked out of the market and were

unable to take advantages of the lower prices. The market has slowly recovered and both housing prices and rents are on the rise.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

New Jersey is a very diverse state with high incomes and housing costs in the north as a result of being a suburb of New York City and low incomes and low housing costs in the south which is more rural in nature. High HOME rents and Fair Market Rents for small units (0, 1 and 2 bedrooms) are comparable but as the unit size increase the disparity between High HOME rents and Fair Market Rents increases significantly.

Discussion

Although new housing is being developed throughout the State, the need for additional affordable housing continues to be a high priority need, especially since rental rates and housing sales prices increase faster than income growth.

MA-20 Condition of Housing – 91.310(a)

Introduction:

The majority of New Jersey's housing stock, both renter-occupied and owner-occupied was built before 1980. Many of these older homes are not energy efficient and are very expensive to heat and cool. In addition, due to the age of the housing, lead-based paint continues to be an issue.

Both renters and owners face housing condition problems. Forty-seven percent of renters experience at least one housing condition and thirty-nine percent of owners experience at least one housing condition.

Definitions

Standard Condition: the condition of a housing unit that meet Housing Quality Standards or local code.

Substandard Condition but Suitable for Rehabilitation: the condition of a housing unit that does not meet standard conditions but is both financially and structurally feasible for rehabilitation.

Substandard and Not Suitable for Rehabilitation: Housing units not suitable for rehabilitation are characterized by dilapidated or deteriorated conditions that make economic repair infeasible, or rehabilitation will exceed 50 percent of the replacement cost of the dwelling.

Housing Conditions: The condition of a housing unit is assessed using the same criteria as in the Needs Assessment. This includes: 1) lacks complete plumbing facilities, 2) lacks complete kitchen facilities, 3) more than one person per room, and 4) a cost burden (amount of income allocated to housing) that is greater than 30 percent.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	828,125	39%	496,761	47%
With two selected Conditions	17,476	1%	54,786	5%
With three selected Conditions	2,817	0%	3,711	0%
With four selected Conditions	135	0%	383	0%
No selected Conditions	1,269,370	60%	507,290	48%
Total	2,117,923	100%	1,062,931	100%

Table 47 - Condition of Units

Data Source: 2007-2011 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	188,546	9%	89,376	8%
1980-1999	490,281	23%	171,608	16%
1950-1979	918,671	43%	464,758	44%
Before 1950	520,425	25%	337,189	32%
Total	2,117,923	100%	1,062,931	100%

Table 48 – Year Unit Built

Data Source: 2007-2011 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	1,439,096	68%	801,947	75%
Housing Units build before 1980 with children present	118,010	6%	50,995	5%

Table 49 – Risk of Lead-Based Paint

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

Vacant Units

When the State's vacant units are examined by type, seasonal, recreational, or occasional use vacancies account for the largest proportion of all vacant units, followed by vacant rental units and vacant for sale units.

	All Vacant Units	Vacant- For Rent	Vacant- Rented, Not Occupied	Vacant- For Sale Only	Vacant- Sold, Not Occupied	Vacant- For Seasonal, Recreational, or Occasional Use	Vacant- For Migrant Workers	Other Vacant
United States	16,517,104	2,990,601	613,685	1,416,647	646,800	5,381,511	35,421	5,432,439
New Jersey	402,121	76,171	15,405	35,130	12,713	134,203	271	128,228
Atlantic	25,567	2,671	232	1,573	187	15,957	0	4,947
Bergen	17,036	4,097	906	3,212	1,789	1,261	0	5,771
Burlington	14,765	2,486	1,206	1,846	599	1,042	0	7,586
Camden	20,006	2,402	711	1,903	339	294	0	14,357
Cape May	60,470	4,631	342	1,838	0	51,523	225	1,911
Cumberland	6,130	1,321	142	910	367	420	0	2,970
Essex	36,658	15,813	912	3,771	423	1,897	0	13,842
Gloucester	7,574	1,302	434	745	527	273	0	4,293
Hudson	27,050	10,719	2,876	1,883	1,869	1,999	0	7,704
Hunterdon	3,866	746	376	604	0	325	0	1,815
Mercer	12,605	3,389	1,115	1,641	43	590	0	5,827
Middlesex	14,918	4,518	2,098	1,545	767	1,383	0	4,607
Monmouth	27,633	2,484	686	2,609	1,613	11,552	0	8,689
Morris	11,819	3,268	703	512	0	1,377	0	5,959
Ocean	61,336	1,985	260	2,795	374	36,732	46	19,144
Passaic	14,840	4,201	593	891	676	1,314	0	7,165
Salem	3,266	468	0	348	0	369	0	2,081
Somerset	12,088	4,898	224	2,629	1,140	1,082	0	2,115
Sussex	7,385	491	138	577	86	4,161	0	1,932
Union	13,818	3,683	1,305	1,833	1,883	418	0	4,696
Warren	3,291	598	146	1,465	31	234	0	817

Table 50- Vacant Housing Units by Type, 2013

Data Source: U.S. Census Bureau, 2013 American Community Survey 1-Year Estimates.

Need for Owner and Rental Rehabilitation

Over 60% of the units built in New Jersey were built prior to 1980. The year in which the housing was built is a good indicator of the need for housing rehabilitation because the older the housing unit, the

more likely it is to have outdated major systems such as heating, plumbing, electrical and roofing. Owner and rental rehabilitation is necessary in order to preserve the current housing stock.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

More than 2.4 million of our State's 3.3 million housing units were built before 1978. Based upon Title X guidelines, the presumption is some lead-based paint will be found in a substantial percentage of pre-1978 housing. The prevalence of lead-based paint and/or the percentage of lead in paint increase as the housing age increases according to both the Department of Health (DHSS) and the NJ Interagency Task Force on the Prevention of Lead Poisoning (Task Force). Both DHSS and the Task Force state that children occupying housing constructed prior to 1950 are therefore at highest risk for lead poisoning.

This increase in risk as the age of housing increases is exacerbated when that housing is not maintained. This finding of increased risk is also supported by test results achieved by the Indoor Environmental Hazards Unit (IEHU). During 17 years of experience with State and federally-funded lead hazard control programs (1995 through June 30, 2012), the IEHU tested almost 1,500 housing units scheduled for renovation or lead hazard control work. More than 95% of the units tested were built prior to 1950. More than 99% of the units tested had significant lead-based paint hazards.

With approximately 28% of New Jersey's housing (over 979,000 of our housing units) constructed prior to 1950 exposure to lead-based paint hazards and childhood lead poisoning is a health concern.

Under New Jersey's universal screening law, all children are to be tested at both one and two years of age. At a minimum all children should have at least one blood lead test before their sixth birthday.

Approximately 78% of children in New Jersey have had at least one blood lead test prior to reaching three years of age.

Although the Centers for Disease Control (CDC) has reduced its recommended intervention level from 10ug/dl to a reference level of 5ug/dl, New Jersey health departments are required to conduct an environmental assessment only to a persistent 10ug/dl or one test at 15ug/dl or higher.

Discussion:

Older housing units, which tend to be more affordable than newly constructed units, are more likely to be in substandard condition and likely to have lead-based paint issues.

MA-25 Public and Assisted Housing – (Optional)

Introduction:

NA - optional

Totals Number of Units

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	29	1,101		20,983	1,400	19,583	1,639	0	1,926
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 51 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

MA-30 Homeless Facilities – 91.310(b)

Introduction

The state’s inventory of beds is not enough to fully meet the needs of people facing homelessness in our state. Although there are thousands of emergency, transitional, safe haven, and transitional housing beds, they do not fully meet the needs of the state’s homeless residents. As a result, approximately 900 people are unsheltered on most nights throughout the year. The State continues to work with homeless providers and local government agencies to prevent homelessness and rapidly re-house those who experience short periods of homelessness.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	725	0	454	1,267	0
Households with Only Adults	1,722	0	918	1,925	0
Chronically Homeless Households	0	0	0	0	0
Veterans	27	0	339	0	0
Unaccompanied Youth	23	0	24	0	0

Table 52 - Facilities Targeted to Homeless Persons

Data Source: NJ HMIS

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

New Jersey will continue its Continuum of Care approach to address homelessness in the State. This includes programs and services addressing each stage of the homeless continuum: homeless prevention, rapid re-housing, emergency shelter, supportive housing and permanent supportive housing programs. In addition, the State through its One Stop Career Centers will continue to provide training and services (free of charge) to help individuals develop the skills needed to succeed.

Other mainstream programs include:

WorkFirst NJ, the State's welfare reform program, which emphasizes work as the first step toward building a new life and a brighter future. The goal of the program is to help people get off welfare, secure employment and become self-sufficient, through job training, education and work activities. NJ SNAP is New Jersey's supplemental nutritional assistance program that can help low-income families buy the groceries they need to eat healthy.

Low Income Home Energy Assistance Program (LIHEAP) assists low-income households with their heating and cooling bills, and provides emergency heating system services and emergency fuel assistance.

Medicare provides health insurance to people age 65 and older and younger people with disabilities. Veterans Affairs Supportive Housing vouchers (VASH) provides permanent housing in combination with medical services.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Chronic Homelessness: CoCs across the State are working diligently to develop and implement a ten-year plan for ending chronic homelessness. In addition, all of the COCs in New Jersey have implemented a Homeless Management Information System (HMIS) to improve the accuracy of their chronic homeless counts. DCA in consultation with the local CoCs, ESG grantees and local social service providers will

continue to work on providing a strategic, community-wide system that will prevent and end homelessness. This includes but is not limited to: applying for Shelter Plus Care and Supportive Housing grants; and identifying households in emergency shelters and transitional housing facilities that would benefit from rapid re-housing resources.

Homeless Veterans: DCA continues to provide HUD-Veterans Affairs Supportive Housing vouchers (VASH) to homeless veterans, many of whom have chronic health conditions. The program provides permanent housing in combination with medical services.

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

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

The Housing Opportunities for Persons with AIDS program's (HOPWA) annual reporting provides evidence of the continued need for housing assistance and supportive services to enable individuals living with HIV/AIDS to achieve housing stability. Eligible households may access an array of services including rental assistance and supportive services.

HIV/AIDS Services: The State through its HOPWA program provides rental assistance and support services to 125 households annually.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	125
PH in facilities	0
STRMU	0
ST or TH facilities	0
PH placement	0

Table 53 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The State through its community action agencies provides assistance to low-income individuals that may be unemployed or receiving public assistance, at-risk youth, residents of public housing, persons with disabilities, and individuals transitioning from incarceration into the community. This assistance includes the following types of programs: education (GED education and assistance), employment counseling/referrals/support, life skills classes, veteran's services, emergency services (provision of clothing and personal items) and back to school youth programs.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Department of Human Services (DHS), DCA and HMFA are the primary state agencies that ensure that individuals being discharged or released from institutions have both the housing and support services that need to succeed. This year the State received over \$5 million of Section 811 Project Rental Assistance (PRA) funds to assist 206 individuals with significant and long term disabilities who are institutionalized.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The State will use its HOME funds to develop permanent units funded through a competitive application process. In addition, DCA through its State Rental Assistance Program is providing up to 300 State Rental Assistance Program (SRAP) project-based vouchers for the purpose of creating affordable housing for very low-income family and disabled households. Also, DCA through its Housing Choice Voucher Program is providing 100 project-based vouchers for veterans and their families who are confronting homelessness or are residing in unsafe housing.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

The State will be providing a number of activities to address the housing and supportive service needs to non-homeless individuals. These activities will include programs that provide assistance to the individuals with HIV/AIDs, the elderly, veterans and the disabled.

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

There are a myriad of both State and federal issues affecting the availability of affordable housing. Barriers to affordable housing include outdated land-use regulations, high development standards, costly permit processes, infrastructure financing and redevelopment.

Land Use Regulations: Two types of regulations affect housing costs: development regulations and land-use regulations. Development regulations, such as the construction code, place minimum standards on how developers build, while land-use regulations (zoning laws, environmental protection requirements) define the conditions and the amount of land available for development. Land-use regulations fundamentally affect land and housing costs and are slow to respond to changes in housing demand. They dictate what, where, and how much gets built and under what conditions. For state and local regulations to work, they must balance the mandates of a host of public land-based policies, some of which conflict.

Development Standards: Building, fire safety, site, and subdivision standards set a minimum level of protection for the public. The implementation of these standards attempts to make the development and construction process more consistent, predictable, and timely.

Redundancy in the Permit Process: Housing and other development in New Jersey must be approved by several State agencies, regional planning agencies, county planning boards, sewer/wastewater treatment utilities, soil conservation agencies, and municipal planning boards. Although New Jersey has made progress to streamline the residential construction process and make it more consistent, predictable, and timely, delays and duplications remain.

Infrastructure Financing: Like most states, New Jersey has struggled with how to maintain roads, sewers, potable water, parks, and other public facilities and how to build and maintain new infrastructure. To pay for these needs, New Jersey has relied increasingly on user fees and other pay-as-you-go approaches. Builders are assessed impact and linkage fees to pay more of the cost of public facilities and services. These costs tend to be passed on to new homeowners and renters.

Redevelopment: Redevelopment that leads to the demolition or conversion of both subsidized and unsubsidized/market rate housing, resulting in displacement or exclusion of lower-income households.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

The CDBG program is one resource for small cities to obtain funding for non-housing community development projects. These projects include a range of infrastructure such as water systems, wastewater treatment plants, sidewalks, senior centers, fire halls, and medical facilities. In addition, these funds can support economic development through the purchase of equipment and land, purchase and renovation of commercial buildings, and infrastructure construction.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	2,379	3,639	1	1	0
Arts, Entertainment, Accommodations	34,357	29,061	11	11	0
Construction	15,998	11,828	5	5	0
Education and Health Care Services	61,933	61,427	20	24	4
Finance, Insurance, and Real Estate	23,704	13,885	8	5	-3
Information	8,452	4,923	3	2	-1
Manufacturing	29,874	21,431	10	8	-2
Other Services	12,961	11,295	4	4	0
Professional, Scientific, Management Services	40,274	34,316	13	13	0
Public Administration	4	0	0	0	0
Retail Trade	46,087	39,274	15	15	0
Transportation and Warehousing	11,704	8,279	4	3	-1
Wholesale Trade	20,284	15,200	7	6	-1
Total	308,011	254,558	--	--	--

Table 54- Business Activity

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	453,250
Civilian Employed Population 16 years and over	415,746
Unemployment Rate	8.27
Unemployment Rate for Ages 16-24	19.00
Unemployment Rate for Ages 25-65	5.64

Table 55 - Labor Force

Data Source: 2007-2011 ACS

Occupations by Sector	Number of People
Management, business and financial	109,896
Farming, fisheries and forestry occupations	15,023
Service	36,146
Sales and office	102,823
Construction, extraction, maintenance and repair	38,331
Production, transportation and material moving	23,299

Table 56 – Occupations by Sector

Data Source: 2007-2011 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	218,365	56%
30-59 Minutes	105,831	27%
60 or More Minutes	62,780	16%
Total	386,976	100%

Table 57 - Travel Time

Data Source: 2007-2011 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	19,629	2,694	14,558
High school graduate (includes equivalency)	96,007	8,942	30,117
Some college or Associate's degree	92,960	8,501	21,382
Bachelor's degree or higher	140,428	6,306	25,118

Table 58 - Educational Attainment by Employment Status

Data Source: 2007-2011 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	1,238	2,466	2,781	6,379	8,618
9th to 12th grade, no diploma	8,044	6,006	6,454	12,795	13,935
High school graduate, GED, or alternative	23,619	24,288	34,130	76,843	43,753
Some college, no degree	26,749	18,985	21,391	47,607	17,023
Associate's degree	3,751	6,870	10,430	18,852	4,205
Bachelor's degree	7,209	22,400	28,871	53,382	13,684
Graduate or professional degree	578	10,273	18,451	39,275	12,698

Table 59 - Educational Attainment by Age

Data Source: 2007-2011 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Table 60 – Median Earnings in the Past 12 Months

Data Source: 2007-2011 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

The top employment sectors within the state are: Education and Health Care Services (23% of workers), followed by Retail and Professional (15%), and Scientific and Management Services (13%)

Describe the workforce and infrastructure needs of business in the state.

The business community has a strong need for an educated and skilled workforce. According to the NJ Department of Labor and Workforce Development the seven key industries in the State are:

1. The Financial Services Industry (banks and insurance firms)
2. The Health Care Industry (nurse, physician assistant, home health aide, optician, nursing assistant)
3. The Life Sciences Industry (pharmaceuticals, biotechnology, and medical device manufacturing)
4. The Advanced Manufacturing Industry (chemical manufacturing, computer and electronic manufacturing)
5. The Retail, Hospitality and Tourism Industry (retail, dining, entertainment, hotels, casinos)
6. The Technology Industry (operations manager, computer support specialist, civil engineer)
7. The Transportation, Logistics and Distribution Industry (warehouse clerks, customer service representatives, vehicle operators).

New Jersey's infrastructure is aging. According to the American Society of Civil Engineers 2013 report card, 35% of New Jersey's major roads are in poor condition and 9.5% of the State's bridges are structurally deficient.

New building and economic growth will depend in large part on increasing water supply and wastewater management capacity in areas targeted for development. In addition, the need for adequate transportation infrastructure is critical for the business community. Investment in the State's infrastructure will help grow the economy; it will create jobs and improve New Jersey residents' quality of life.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

During the fall of 2012 New Jersey was impacted by Super Storm Sandy. This event has had a significant impact, both positive and negative, on the economy of the State. The biggest impact is the influx of a substantial amount of federal funds for economic development and infrastructure improvements which has created many job opportunities at all income levels. It also provides for the targeting of funds to low and moderate- income, minority and local employees.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

Management and professional office occupations had the highest salaries, the majority of these occupations require at least a bachelor's degree.

Education and healthcare occupations are the most diverse in terms of education. There is a wide array of occupational pathways depending on one's level of education

The largest three groups, food and personal services, sales and office support, and blue collar, accounted for about 63% of all employment in the state. Most jobs in these groups can be attained with a high school education or less.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The Christie administration recently launched its Atlantic City re-employment initiative using a \$29.4 million National Emergency Grant award it received from the US Department of Labor to provide comprehensive re-employment and retraining assistance to displaced workers impacted by the casino closings in Atlantic City last year. The initiative focuses on preparing displaced workers for jobs that are in demand by regional employers through partnerships with local workforce investment boards, community colleges, employers, industry associations and New Jersey's Talent Networks. The One Stop Career Centers offer free career assessments, skills assessment, job search help, placement assistance and resume preparation. These initiatives support the need for job training discussed in the Consolidated Plan.

Describe any other state efforts to support economic growth.

In February 2015, the Christie administration awarded approximately \$500,000 for workforce development training programs specific to the Camden region. This investment will expand opportunities for businesses to take advantage of the Economic Opportunity Act of 2013, a blueprint to enhance business attraction and retention, job creation efforts and strengthening New Jersey's competitive edge in the global economy.

The New Jersey Economic Development Authority (EDA) recently announced assistance to community business lenders in Mercer and Camden counties, helping to extend the State's reach to underserved businesses and communities. Through the Loans to Lenders program, the EDA provides capital to financial intermediary organizations that offer loans and lines of credit to small businesses in local markets that may not qualify for traditional bank financing.

Discussion

The State through the Department of Labor and Workforce Development continues to provide funding and assistance to both businesses and job seekers. In addition, EDA provides assistance to businesses through tax-exempt and taxable bond financing, loans, loan guarantees, and business and tax incentives.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

For this analysis, the definition of concentration is defined as counties where multiple housing problems exist at a rate of at least 10% greater than that of the State as a whole (80%). Based on this definition, there is not a concentration.

The Census data contains the following factors that describe the condition of the housing stock. They include the presence of kitchen and plumbing facilities, heating source and overcrowding.

- 99% of New Jersey's housing units had kitchen facilities
- 99% of the housing units had complete plumbing facilities
- Heating source: 12.5% of homes were heated by fuel oil, kerosene, coal, , wood, solar energy, or another type of fuel; .3% used no fuel at all

Another housing issue is overcrowding of large related households in all income groups. While overcrowding is found among just 4% of New Jersey households, many of these large households are not able to secure large rental units that are in standard condition and are affordable.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Yes. For this analysis, DCA defined an area of minority concentration as a neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 percent higher than that minority's percentage in the housing market area as a whole, or in the case of a metropolitan area, the neighborhood's total percentage of its minority persons exceeds 50 percent of its population. The entire State of New Jersey falls within various metropolitan areas, therefore the 50 percent standard applies to the entire State. The following table shows that 39 municipalities are areas of minority concentration by this standard. Five of the municipalities with the largest population concentrations of minorities are in Essex and Camden counties. Notably, New Jersey's three largest cities, Newark, Jersey City, and Paterson, qualify as areas of minority concentration. Camden, Essex, and Middlesex counties have the most areas of minority concentration; Cape May, Gloucester, Hunterdon, Ocean, Sussex, and Warren counties have no such areas. Two thirds of the State's minority-concentrated municipalities are located in the northern half of the State, while one- third are in Camden, Burlington, Salem, Cumberland, and

Atlantic counties. Overall, Passaic at 33 percent had the highest concentrated poverty rate of any county in 2013.

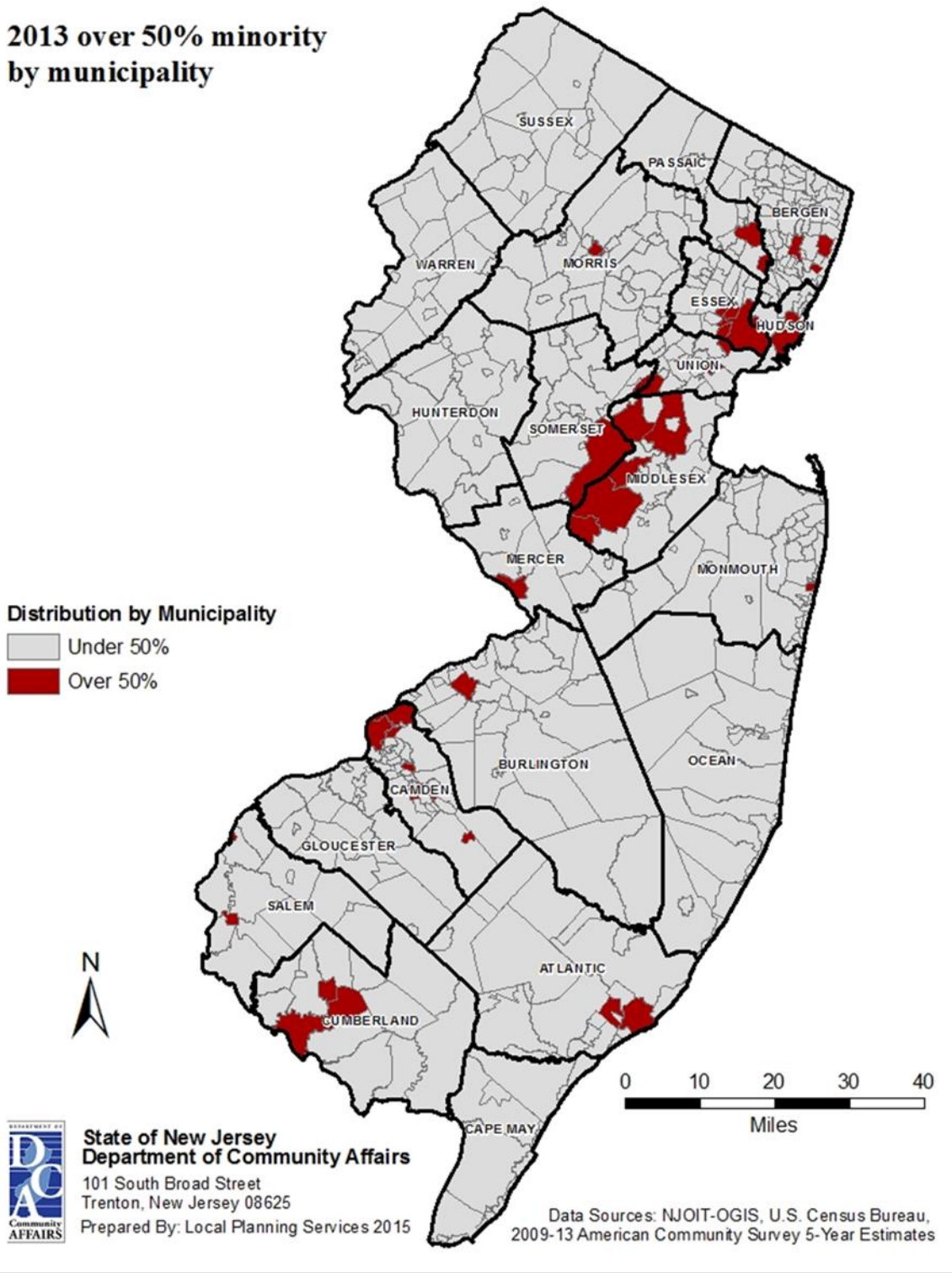
2013 Areas of Minority Concentration (not including Hispanic Whites)

Municipality	County	Total Population	% Minority
New Jersey		8,899,339	31.8%
Lawnside	Camden	2,938	98.0%
East Orange	Essex	64,351	95.4%
Irvington	Essex	54,144	93.3%
City of Orange	Essex	30,294	91.3%
Camden	Camden	77,356	86.5%
Plainfield	Union	50,065	84.3%
Willingboro	Burlington	31,772	82.4%
Roselle	Union	21,212	75.1%
Newark	Essex	277,357	74.1%
Hillside	Union	21,538	70.4%
Trenton	Mercer	84,609	67.9%
Woodlynne	Camden	2,966	67.1%
Atlantic City	Atlantic	39,591	65.6%
Jersey City	Hudson	251,717	64.8%
Asbury Park	Monmouth	16,000	63.7%
Pleasantville	Atlantic	20,391	62.8%
Fairfield	Cumberland	6,472	62.7%
Palisades Park	Bergen	19,814	62.6%
Victory Gardens	Morris	1,674	61.5%
Penns Grove	Salem	5,100	60.8%
Chesilhurst	Camden	1,746	60.5%
Salem City	Salem	5,111	60.5%
Englewood	Bergen	27,308	59.6%
Piscataway	Middlesex	56,915	59.1%
Bridgeton	Cumberland	25,271	58.1%
Plainsboro	Middlesex	23,063	58.1%
Hackensack	Bergen	43,466	57.4%
Harrison	Hudson	14,025	57.3%
Edison	Middlesex	100,513	57.1%
Passaic City	Passaic	70,172	54.7%
Franklin	Somerset	63,274	54.2%
Lindenwold	Camden	17,573	54.2%
Paterson	Passaic	145,920	54.0%
Pennsauken	Camden	35,861	53.4%
East Newark	Hudson	2,471	53.3%
North Brunswick	Middlesex	41,480	53.2%
Dover	Morris	18,257	52.7%
North Plainfield	Somerset	22,001	50.2%
South Brunswick	Middlesex	43,877	50.0%

Table 61: 2013 Areas of Minority Concentration (not including Hispanic Whites)

Source: U.S. Census Bureau, 2009-13 American Community Survey 5-Year Estimates

**2013 over 50% minority
by municipality**

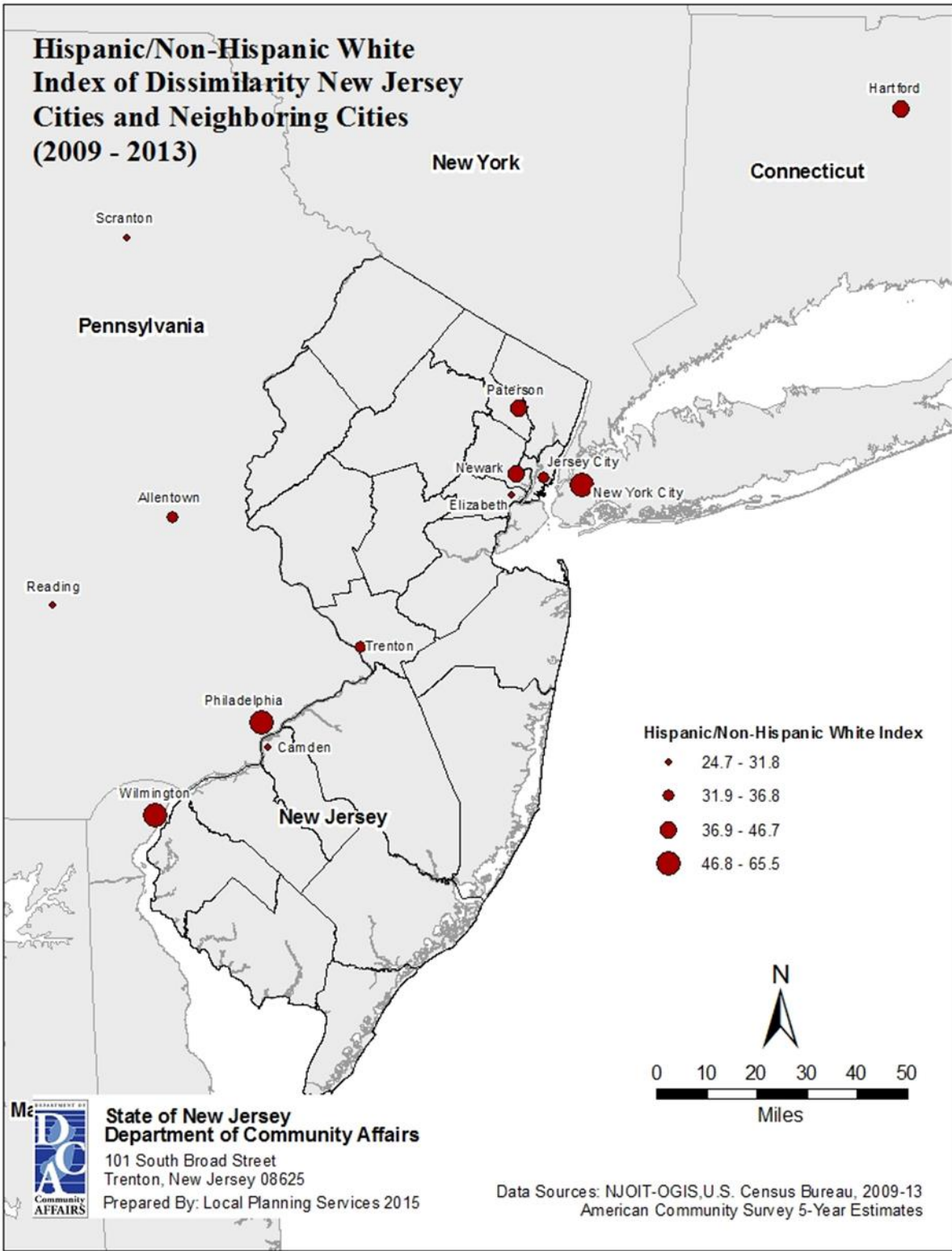


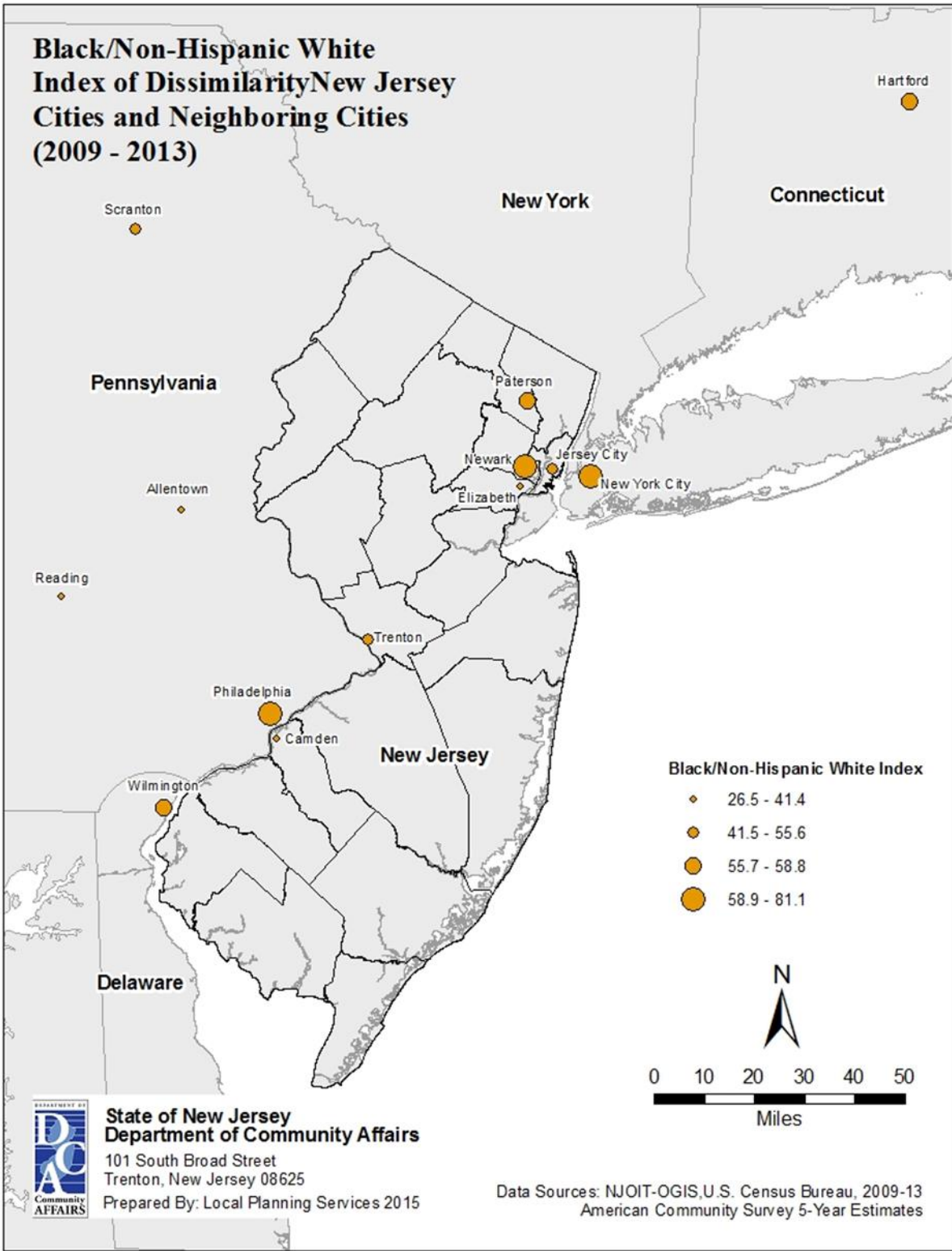
Dissimilarity Index

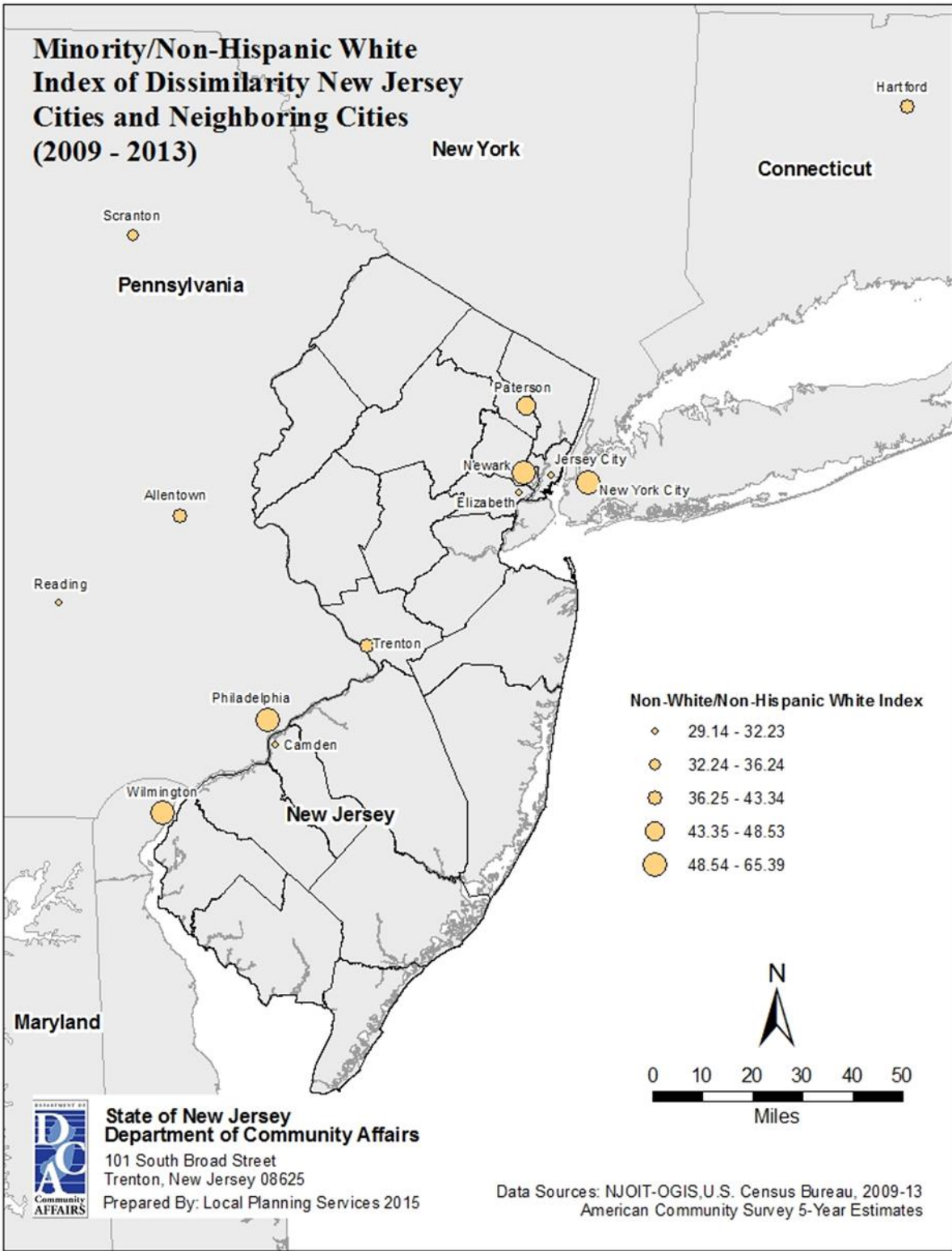
The dissimilarity index measures the amount of segregation between two racial or ethnic groups in a geographic area. More precisely, it measures the evenness in the proportional concentration of one group to another across neighborhoods in the State. A dissimilarity index score of 50 would mean that 50 percent of one group would need to move for the neighborhood to match the surrounding racial/ethnic composition of the area.

HUD considers a dissimilarity index score of 55 and above as evidence of high segregation, scores between 40 and 55 as moderate, and scores below 40 as reflective of low segregation.

By these criteria, the State's dissimilarity index for Asians and minorities overall would be considered "moderate", while the index for blacks and Hispanics would be considered "high."







What are the characteristics of the market in these areas/neighborhoods?

The areas of the State where racial/ethnic minorities are concentrated are generally urban areas, with old housing stock and minimum job opportunities.

Are there any community assets in these areas/neighborhoods?

The statewide level analysis is too broad to fully assess community assets in local areas and neighborhoods.

Are there other strategic opportunities in any of these areas?

Yes, as previously stated Governor Christie has dedicated funds to expand job opportunities in these areas.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The State has identified a number of high-priority needs, and has targeted available resources toward specific goals designed to address those needs. These needs include affordable housing, homeless assistance, economic development, and the construction of infrastructure and community facilities. Resources are targeted to meet the needs of a wide range of state residents, including the elderly, homeless, special needs persons, and low- and moderate-income persons.

The State will coordinate service delivery, and leverage additional resources with other governmental entities to increase efficiency, coordinate service delivery, and leverage additional resources.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 62 - Geographic Priority Areas

1	Area Name:	State of New Jersey
	Area Type:	Local Target area
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Funds are distributed statewide via a competitive process or on a continuous basis per program regulations.
	Include specific housing and commercial characteristics of this target area.	See Needs and Market Analysis section
2	Area Name:	CDBG - Eligible Towns
	Area Type:	Small Cities
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Eligible units of local government
3	Area Name:	Sandy Impacted Counties
	Area Type:	Local Target area
	Revital Type:	Comprehensive
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	Atlantic; Bergen; Cape May; Essex; Hudson; Middlesex; Monmouth; Ocean; Union counties

Table 62

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

CDBG: New Jersey’s Community Development Block Grant program makes annual awards to non-entitlement-areas, also known as small cities. The CDBG program prioritizes funding for activities that

principally benefit low- and moderate-income persons; at least 70% of the funds are used for activities that benefit persons of low and moderate income households.

ESG: Emergency Solutions Grant funds are allocated state-wide through a competitive process. All successful applicants must have the experience and the capacity to successfully undertake the proposed activities including, but not limited to the following:

- Experience with providing similar services and assistance
- Experience with working with the target population
- Capacity to successfully manage previous program grants
 1. Achieved prior grant objectives within the established time frame
 2. Provided accurate cost estimates of the proposed work
 3. Expended grant awards correctly and in a timely manner
 4. Produced and submitted performance and financial reports correctly and on-time
 5. Have no unresolved audit findings with DCA
- Sufficient amount of revenue/income to operate the project
- All applicants are required by the US Department of Housing and Urban Development to: 1) obtain a DUNS 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).

HOME: HOME funds will be distributed throughout the State. Priority assistance will be given to non-entitlement HOME communities, those that are not receiving a HOME allocation and those not able to construct or otherwise provide affordable housing without financial assistance. DCA prioritizes projects that will start construction within six to twelve months of a funding award.

HOPWA: As previously stated, the Department of Community Affairs administers two HOPWA Programs on behalf of the New Jersey Department of Health (DOH). HOPWA enables eligible persons with HIV/AIDS and their families to secure decent, safe and sanitary housing in the private rental market by providing tenant-based rental assistance (TBRA). HOP 1 (formula grant) is restricted to the following counties: Atlantic, Cape May, Cumberland, Mercer, Salem and Warren (HOP-1). The HOPWA Post-Incarcerated Program (HOP-2 competitive grant) vouchers can be utilized statewide.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 63 – Priority Needs Summary

1	Priority Need Name	Affordable housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	State of New Jersey Sandy Impacted Counties
	Associated Goals	Increase the supply of affordable housing Sandy Revitalization

	Description	Increase the supply and quality of affordable housing including accessible housing for very low-income and low-income households.
	Basis for Relative Priority	The needs assessment and market analysis data, public survey results, and public input have all revealed a persistent need for additional affordable housing.
2	Priority Need Name	Eliminate homelessness
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence
	Geographic Areas Affected	State of New Jersey Sandy Impacted Counties
	Associated Goals	Assist homeless households Sandy Revitalization
	Description	Decrease the number of households experiencing homelessness through the provision of rental assistance and supportive services.

	Basis for Relative Priority	The needs assessment and Point in Time Count show that there is a need to continue programs that prevent and re-house the homeless.
3	Priority Need Name	Community revitalization
	Priority Level	High
	Population	Extremely Low Low Moderate Middle
	Geographic Areas Affected	State of New Jersey Small Cities Sandy Impacted Counties
	Associated Goals	Revitalize municipalities (small cities) Sandy Revitalization
	Description	Support the replacement or reconstruction of deteriorating infrastructure and the construction of essential community facilities such as youth centers.
	Basis for Relative Priority	Meetings with stakeholders and the data from the public survey indicated a need for community development projects, especially in areas with aging public infrastructure
4	Priority Need Name	Neighborhood revitalization
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families
	Geographic Areas Affected	State of New Jersey Small Cities Sandy Impacted Counties
	Associated Goals	Neighborhood rehabilitation Sandy Revitalization
	Description	Improve and preserve the existing affordable housing stock and neighborhoods.
	Basis for Relative Priority	Meetings with stakeholders and the data from the public survey indicated a need for neighborhood rehabilitation.
5	Priority Need Name	Economic development
	Priority Level	Low
	Population	Extremely Low Low Moderate Non-housing Community Development

	Geographic Areas Affected	State of New Jersey Small Cities Sandy Impacted Counties
	Associated Goals	Foster community economic development Sandy Revitalization
	Description	Support community and economic development programs that expand business enterprises and increase job opportunities for low- and moderate-income households.
	Basis for Relative Priority	Meetings with stakeholders and the data from the needs assessment and public survey indicated a need for investment in economic development and job training in communities across the state.
6	Priority Need Name	Homeownership
	Priority Level	Low
	Population	Low Moderate Large Families Families with Children Elderly Elderly
	Geographic Areas Affected	State of New Jersey Sandy Impacted Counties
	Associated Goals	Expand homeownership opportunities for low and mod Sandy Revitalization
	Description	Increase homeownership opportunities for low and moderate-income households.
	Basis for Relative Priority	Data presented in the market analysis, and stakeholder and public input have revealed a need for homeownership opportunities for low and moderate-income households.

Table 63-

Narrative (Optional)

The State of New Jersey over the next 5 years will allocate resources to address the following needs identified in the assessment:

- Increase the supply and quality of affordable housing including accessible housing for very low-income and low-income households
- Decrease the number of households experiencing homelessness through the provision of rental assistance and supportive services
- Support the replacement or reconstruction of deteriorating infrastructure and the construction of essential community facilities such as youth centers
- Improve and preserve the existing affordable housing stock and neighborhoods.
- Increase homeownership opportunities for low and moderate-income households.
- Support local jurisdictions' planning process to reduce and end homelessness.
- Support community and economic development programs that expand business enterprises and increase job opportunities for low- and moderate-income households.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	As previously stated, New Jersey has a shortage of available rental housing at every level. This is particularly the case with affordable housing. Many at-risk households turn to rental assistance programs to maintain and secure housing. The State, through the Housing Choice Voucher Program, HOME Tenant-Based Rental Assistance Program and the State Rental Assistance Program will continue to assist as many very low- and low-income households as possible within our financial constraints.
TBRA for Non-Homeless Special Needs	Same as above
New Unit Production	As a result of New Jersey being one of the most expensive states to reside in, (according to the 2015 Out of Reach report New Jersey is the 5th most expensive state to rent a 2 bedroom) there continues to be a need to develop new affordable housing units. DCA in conjunction with HMFA will allocate funds to do same.
Rehabilitation	The data discussed in the needs assessment shows that 43% of households up to 100% of AMI live in substandard housing units. New Jersey will allocate funds to rehabilitate these units.
Acquisition, including preservation	Approximately 5% of the current of the approximate 63,689 affordable housing units in the State’s portfolio will end their affordability period in the next five years. The State recognizes the importance of prioritizing the preservation of affordable housing and will allocate funds to do same.

Table 64 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The state will use its Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons With AIDS (HOPWA) funds to provide decent affordable housing, suitable living environments and expand economic opportunities for low and moderate-income households.

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	6,090,333	0	0	6,090,333	24,361,332	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 Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,302,794	0	0	3,302,794	13,211,176	The HOME Program will provide funds to develop affordable housing units, rehabilitate owner-occupied units and provide rental assistance to victims of domestic violence and disabled households.

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: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,116,874	0	0	1,116,874	4,467,496	The HOPWA Program will provide housing assistance to low- income persons with HIV/AIDS.

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: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,682,257	0	0	2,682,257	10,729,028	The ESG Program will provide grants to create, expand or improve the quality of shelters and transitional housing facilities. 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.

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: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Financial Assistance Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab New Consolidated Plan construction for ownership Rental						The State will use its CDBG-R funds to address the housing and community development needs that were the result of Superstorm Sandy.
					NEW JERSEY			120

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: \$		
Other	public - state	Homebuyer assistance	10,000,000	0	0	10,000,000	40,000,000	Provides mortgages for home purchase. Income and purchase price limits apply.

Table 65 - Anticipated Resources

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 and HOPWA funds with other State and federal funds to address the housing and community development needs previously discussed. In total, New Jersey anticipates committing the following in FFY 2015: \$1,054,362,662.

The State will satisfy the required matching requirements in the following manner:

Community Development Block Grant Program requires that administration funds expended in excess of \$100,000 must be matched on a one-to-one basis; the match for CDBG is the Affordable Housing Trust Fund.

Emergency Solutions Grant Program requires a \$1 to \$1 match; the match for ESG is provided by the Affordable Housing Trust Fund and the Homelessness Prevention Program.

HOME Program requires a 25 percent match; the match for HOME is the State Rental Assistance Program

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

NA

Discussion

The State will utilize over \$1 billion in state and federal funds next year to address the housing and community needs identified in the plan. These funds will include money that the NJ Housing and Mortgage Finance Agency (NJHMFA) receives from the Low-Income Housing Tax Credit Program. NJHMFA is responsible for allocating all competitive (9% Tax Credits) and Volume Cap Tax Credits (4% Tax Credits) for the State of New Jersey. All projects are awarded credits in accordance with HMFA's adopted Qualified Allocation Plan (QAP) for the State of New Jersey, approved by the NJHMFA Board in July 2015.

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS	Government	Economic Development Homelessness Non-homeless special needs Ownership Planning Public Housing Rental neighborhood improvements public facilities public services	State
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY	Government	Homelessness Ownership Public Housing Rental	State
NJ DEPARTMENT OF HUMAN SERVICES	Government	Homelessness Rental	State
NJ DEPARTMENT OF HEALTH	Government	Rental	State
Interagency Council on Homeless Working Group	Other	Homelessness	State
Continuum of Care	Continuum of care	Homelessness	Jurisdiction

Table 66 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The State recognizes that the expeditious delivery of housing and community development services relies on improving and expanding intergovernmental and institutional cooperation on the State, county and local levels to coordinate effectively the delivery of public and private resources. Improved coordination among agencies is essential to address the housing and community development needs in the state.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X		
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X		
Mobile Clinics		X	X
Other Street Outreach Services		X	
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X		X
Education	X		X
Employment and Employment Training	X	X	X
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	
Other			
	X		

Table 67 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families

with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction.

The State continues to partner with social services providers to secure Shelter Plus Care funding. The program provides housing and supportive services on a long-term basis for homeless persons who have a serious mental illness, chronic problems with alcohol and/or drugs, or with AIDs or a related disease, or any combination of those disabilities, who are living in places not intended for human habitation (e.g. streets) or in an emergency shelter. The program allows for a variety of housing choices, and a range of supportive services funded by other sources, in response to the needs of the hard-to-reach homeless population with disabilities.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The State will continue to utilize its network of government agencies and nonprofit organizations to provide the necessary housing and support services to assist the special needs and homeless households. These partnerships are necessary to deliver successful programs in a cost effective manner. The primary obstacle to fully addressing the needs outlined in the Five-Year Plan is the overall level of funds available.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

During the next year, the State will continue to pursue the following strategies to enhance coordination between public and private housing and social services:

- *Coordination of housing development with economic opportunities and community development:* This comprehensive approach, which ties job opportunities and social services to housing revitalization, will help stabilize depressed areas as well as promote self-sufficiency of the area's residents.
- Work with and financially support various community housing development organizations (CHDOs) operating in low- and moderate-income neighborhoods to build affordable housing for the elderly, veterans, and other special needs populations.

- Maintain an excellent working relationship with various State departments, including the Department of Health, the Department of Children and Families, and the Department of Human Services, in order to implement a statewide homelessness strategy, which includes assisting DYFS families.
- Expand and improve existing housing programs to expedite the delivery of housing and community development improvements to eligible residents.

SP-45 Goals Summary – 91.315(a) (4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increase the supply of affordable housing	2015	2019	Affordable Housing Homeless	State of New Jersey	Affordable housing	HOME: \$7,362,571 ESG: \$0	Rental units constructed: 50 Household Housing Unit Homeowner Housing Added: 50 Household Housing Unit
2	Assist homeless households	2015	2019	Homeless	State of New Jersey	Eliminate homelessness	CDBG: \$0 HOPWA: \$5,025,933 HOME: \$5,000,000 ESG: \$12,472,495	Tenant-based rental assistance / Rapid Rehousing: 1225 Households Assisted Homelessness Prevention: 500 Persons Assisted Housing for People with HIV/AIDS added: 10 Household Housing Unit Other: 125 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Revitalize municipalities (small cities)	2015	2019	Non-Housing Community Development	State of New Jersey CDBG - Eligible Towns	Community revitalization	CDBG: \$17,005,906	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 24856 Persons Assisted
4	Neighborhood rehabilitation	2015	2019	Affordable Housing	State of New Jersey	Neighborhood revitalization	CDBG: \$6,250,000 HOME: \$2,500,000	Homeowner Housing Rehabilitated: 450 Household Housing Unit
5	Expand homeownership opportunities for low and mod	2015	2019	Affordable Housing	State of New Jersey	Homeownership	CDBG: \$0 HOPWA: \$0 HOME: \$0 ESG: \$0 100 Percent Financing: \$50,000,000	Direct Financial Assistance to Homebuyers: 250 Households Assisted
6	Foster community economic development	2015	2019	Non-Housing Community Development	State of New Jersey	Economic development	CDBG: \$300,000	Businesses assisted: 10 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Sandy Revitalization	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Sandy Impacted Counties	Affordable housing Eliminate homelessness Community revitalization Neighborhood revitalization Economic development Homeownership	CDBG-R: \$4,174,429,000	Homeowner Housing Rehabilitated: 18541 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 2250 Households Assisted Businesses assisted: 897 Businesses Assisted

Table 68 – Goals Summary

Goal Descriptions

1	Goal Name	Increase the supply of affordable housing
	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

2	Goal Name	Assist homeless households
	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 also support local jurisdictions' planning process to reduce and end homelessness
3	Goal Name	Revitalize municipalities (small cities)
	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	Neighborhood rehabilitation
	Goal Description	The State will provide funding to rehabilitate low-income homeowners housing
5	Goal Name	Expand homeownership opportunities for low and mod
	Goal Description	The State will provide funds to increase housing options for low- and moderate-income families. The funding for this goal is from the New Jersey Housing and Mortgage Finance Agency's 100% Financing Program. The program's five year allocation is \$50 million.
6	Goal Name	Foster community economic development
	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

7	Goal Name	Sandy Revitalization
	Goal Description	Superstorm Sandy disaster recovery and rebuilding activities.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The HOME program will assist 100 households with new housing opportunities and 160 households assisted with tenant-based rental assistance.

The ESG program will provide 400 extremely low income households with rapid re-housing assistance.

The HOPWA program will provide housing assistance and supportive services to approximately 125 households who have at least one person living with HIV/AIDS. Of those, approximately 100 will be very low income households and 15 low income households.

The State estimates assisting 28,000 households each year, having incomes between 0% to 80% of Area Median Income (AMI); the majority of these households will have income between 0% - 50% of AMI.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

NA - the State does not own any public housing

Activities to Increase Resident Involvements

NA

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

NA

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

There are a myriad of both State and federal issues affecting the availability of affordable housing. Barriers to affordable housing include outdated land-use regulations, high development standards, costly permit processes, infrastructure financing and redevelopment.

Land Use Regulations: Two types of regulations affect housing costs: development regulations and land-use regulations. Development regulations, such as the construction code, place minimum standards on how developers build, while land-use regulations (zoning laws, environmental protection requirements) define the conditions and the amount of land available for development. Land-use regulations fundamentally affect land and housing costs and are slow to respond to changes in housing demand. They dictate what, where, and how much gets built and under what conditions. For state and local regulations to work, they must balance the mandates of a host of public land-based policies, some of which conflict.

Development Standards: Building, fire safety, site, and subdivision standards set a minimum level of protection for the public. The implementation of these standards attempts to make the development and construction process more consistent, predictable, and timely.

Redundancy in the Permit Process: Housing and other development in New Jersey must be approved by several State agencies, regional planning agencies, county planning boards, sewer/wastewater treatment utilities, soil conservation agencies, and municipal planning boards. Although New Jersey has made progress to streamline the residential construction process and make it more consistent, predictable, and timely, delays and duplications remain.

Infrastructure Financing: Like most states, New Jersey has struggled with how to maintain roads, sewers, potable water, parks, and other public facilities and how to build and maintain new infrastructure. To pay for these needs, New Jersey has relied increasingly on user fees and other pay-as-you-go approaches. Builders are assessed impact and linkage fees to pay more of the cost of public facilities and services. These costs tend to be passed on to new homeowners and renters.

Redevelopment: Redevelopment that leads to the demolition or conversion of both subsidized and unsubsidized/market rate housing, resulting in displacement or exclusion of lower-income households.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

New Jersey has a number of policies, programs and proposals to address regulatory barriers to affordable housing.

1. Continue to partner with HMFA to provide credit counseling to very low-income and low-income Section 8 households interested becoming homeowners. In addition, DCA through its Homelessness Prevention and Rapid Re-Housing Program is providing credit counseling to eligible households, 30% or less of AMI, receiving prevention and rapid re-housing assistance.
2. Continue to apply for additional competitive vouchers through the Family Unification Program, the Veterans Affairs Supportive Housing Program, and the Non-Elderly Disabled Program etc.
3. Promote the Live Where You Work Program.
4. Promote the development of an educational effort to dispel the myths, build support for and neutralize opposition to new housing development.
5. Promote the establishment of a Land Use Court.
6. Promote the development of transit accessible, pedestrian friendly and environmentally responsible communities within easy reach of employment opportunities are all considered in the design of affordable housing.
7. Continue to provide CDBG funds for infrastructure.
8. Place a high priority on the long-term preservation of existing, viable affordable housing stock.

SP-60 Homelessness Strategy – 91.315(d)

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

The State will continue to work with the County CoCs and community-based organizations to identify the needs of homeless households and to assist these households overcome issues such as substance abuse that contribute to homelessness. The goal is to improve coordination and access to services including financial assistance, health care and job training.

Addressing the emergency and transitional housing needs of homeless persons

The State will continue to fund emergency shelters and transitional housing facilities through the Shelter Support Program to address the following: 1) life safety issues; 2) code violations; 3) create new beds; and 4) purchase equipment, furnishings and vans to improve the living conditions for the shelter residents.

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 funds for Shelter Plus Care funding. The Shelter Plus Care Program provides 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, Middlesex, Monmouth, Morris, Passaic and Warren Counties. In addition, the State through the Homelessness Prevention and Rapid Re-Housing Program will continue to provide rapid re-housing assistance to households up to 30 percent of Area Median Income.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The State will continue to use a portion of its Emergency Solutions Grant funds along with State Homelessness Prevention funds to provide financial assistance and services to either prevent homeless households from becoming homeless or rapidly re-house those who are homeless. In addition, the State will utilize Section 811 Supportive Housing for Persons with Disabilities program vouchers, recently awarded, along with State Rental Assistance Program and Division of Developmental Disabilities vouchers to provide rental assistance to low-income individuals being discharged from institutions. On April 27, 2015, Governor Chris Christie announced the formation of a Working Group to further explore ways in which to reduce and prevent homelessness in New Jersey.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The HOME and CDBG Programs require that all housing undergoing rehabilitation meet Part 35, HUD's Lead Safe Housing Rule, EPA's Renovation, Repair, and Painting rule (RRP), and associated regulations. Post-rehabilitation, properties are to be maintained in accordance with HUD's Section 8 Housing Quality Standards (HQS).

In addition, DCA enforced the lead-safe maintenance requirements of N.J.A.C. 5:10, "Regulations for the Maintenance of Hotels and Multiple Dwellings." These regulations require that only individuals trained in lead-safe work practices can perform work that disturbs paint in pre-1978 buildings of three or more residential dwelling units. In addition, property owners must maintain records of the training as well as records of dust wipe testing following clean-up after work.

DCA conducts quarterly address matching between blood lead level test results and rental assistance recipients with children under the age of six. Through a cooperative memorandum granting DCA limited access to the New Jersey Department of Health's 'LeadTrax' database, DCA staff address-match to see if any children under six years of age, living in a pre-1978 Housing Choice Voucher-assisted unit have been identified by a local health department as having an elevated blood lead level. DCA staff search LeadTrax to see if the unit in question has been tested; if lead hazards have been identified; and if an abatement order has been issued and the lead hazards have been abated. Families with children under six living in a unit with lead-based paint hazards present will be required to relocate.

Under New Jersey's universal screening law, all children are to be tested at both one and two years of age. At a minimum all children should have at least one blood lead test before their sixth birthday. Approximately 78% of children in New Jersey have had at least one blood lead test prior to reaching three years of age.

How are the actions listed above integrated into housing policies and procedures?

The State incorporates the requirements for evaluation, hazard identification, work standards, clearances, and other requirements of HUD's Lead Safe Housing Rule (Part 35) into its policies for housing assisted under HOME and CDBG.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Understanding the nature and causes of poverty helps shape the State's goals, programs and policies for reducing the number of people in poverty. The data suggests that there is a correlation between education and poverty: the more education, the less likely people are to be under the poverty line. Without a good education, there is little hope of escaping poverty in today's competitive job market. Other factors include poor transportation and inadequate child care that prevent many from finding better jobs and escaping chronic poverty.

The following State Departments provide resources to help address poverty in New Jersey:

DCA has an important role in addressing poverty in New Jersey. As a major player in the provision of services to low- and moderate-income families, DCA will be instrumental in addressing many problems plaguing New Jersey's most vulnerable residents. Since 1969, DCA has been assisting low-income persons by providing the following types of programs: rooming and boarding homes; production of affordable housing, family-self-sufficiency; Section 8 Rental Assistance; homelessness prevention; shelter support; transitional housing; neighborhood preservation; fire safety and energy conservation. DCA believes that the only way to ameliorate poverty is to promote economic self-sufficiency by providing support services and affordable housing to low-income individuals and families.

DHS is the primary State agency that addresses the effects of poverty in the State. DHS serves more than one million of New Jersey's most vulnerable citizens, or about one of every eight New Jersey residents. DHS serves individuals and families with low incomes; people with mental illnesses, developmental disabilities, or late-onset disabilities; people who are blind, visually impaired, deaf, hard of hearing, or deaf-blind; parents needing child care services, child support and/or healthcare for their children; and families facing catastrophic medical expenses for their children.

DHS strives to help individuals and families in need keep their lives on track, their families together, a roof over their heads, and their health protected. The programs and services offered through DHS give individuals and families the breathing room they need in order to find permanent solutions to otherwise daunting problems.

Department of Children and Families (DCF) is New Jersey's State child welfare agency. DCF is focused on strengthening families and achieving safety, well-being and permanency for all New Jersey's children. In addition to focusing on the fundamentals of child welfare, DCF has also embarked on several important initiatives, including: rebuilding specialized adoption practice; building a robust network of support in our local communities; re-engineering child abuse prevention; building capacity in the child behavioral health system; and improving the system of health care for children in the State's care.

The Department of Labor and Workforce Development (DLWD) provides employment supports. Vocational rehabilitation departments and One-Stop Career Centers offer training, counseling, financial support for education, transportation, and other services designed to help people with disabilities find and retain jobs and live in their communities. These types of services are for people who are looking for work, and want and need these types of supports.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

DCA, DHS, DLWD and DCF will continue to work together to coordinate its programs and services to help reduce the number of poverty-level families in New Jersey.

A major priority of this Plan is to enhance the coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.

The State will continue to utilize its housing assistance programs, rapid re-housing programs and the following activities funded with its Community Services Block Grant funds to address poverty: employment training, education, nutrition, emergency services and/or health.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The State monitors its grantees to ensure compliance with all federal and state program regulations and requirements. Each grantee receiving federal funds from DCA will be monitored in the following manner:

1. Receive an explanation of grant requirements and deadlines.
2. Receive at least one field visit during the duration of the contract. During the field visit, staff will: 1) review the grantees' files to ensure that statutory and regulatory requirements are being adhered to; 2) conduct a physical inspection of the site, if applicable; and 3) meet with staff members. Any deficiencies identified will be addressed and corrected immediately. Additional monitoring visits will be scheduled, if needed.

In addition to monitoring the progress of grantees, DCA has devised internal controls that ensure adherence to the goals, objectives, and regulations applicable for each program. These controls include monthly reporting that is directly linked to the goals and objectives of the program, development and tracking of work plans that provide timelines for completion of program activities, and consistent re-evaluation of the grant processes to ensure effectiveness and efficiency.

Expected Resources

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

Introduction

The state will use its Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons With AIDS (HOPWA) funds to provide decent affordable housing, suitable living environments and expand economic opportunities for low and moderate-income households.

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	6,090,333	0	0	6,090,333	24,361,332	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 Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,302,794	0	0	3,302,794	13,211,176	The HOME Program will provide funds to develop affordable housing units, rehabilitate owner-occupied units and provides rental assistance to victims of domestic violence and disabled households.

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: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,116,874	0	0	1,116,874	4,467,496	The HOPWA Program will provide housing assistance to low- income persons with HIV/AIDS.

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: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,682,257	0	0	2,682,257	10,729,028	The ESG Program will provide grants to create, expand or improve the quality of shelters and transitional housing facilities. 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.

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: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Financial Assistance Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership Consolidated Plan Rental Assistance TBRA						The State will use its CDBG-R funds to address the housing and community development needs that were the result of Superstorm Sandy.
			834,885,800	0	0	834,885,800	3,339,543,200	NEW JERSEY 145

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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: \$		
Other	public - state	Homebuyer assistance	10,000,000	0	0	10,000,000	40,000,000	Provides mortgages for home purchase. Income and purchase price limits apply.

Table 69 - 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 and HOPWA funds with other State and federal funds to address the housing and community development needs previously discussed. In total, New Jersey anticipates committing the following in FFY 2015: \$1,054,362,662.

The State will satisfy the required matching requirements in the following manner:

Community Development Block Grant Program requires that administration funds expended in excess of \$100,000 must be matched on a one-to-one basis; the match for CDBG is the Affordable Housing Trust Fund.

Emergency Solutions Grant Program requires a \$1 to \$1 match; the match for ESG is provided by the Affordable Housing Trust Fund and the Homelessness Prevention Program.

HOME Program requires a 25 percent match; the match for HOME is the State Rental Assistance Program

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

NA

Discussion

The State will utilize over \$1 billion in state and federal funds next year to address the housing and community needs identified in the plan. These funds will include money that the NJ Housing and Mortgage Finance Agency (NJHMFA) receives from the Low-Income Housing Tax Credit Program. NJHMFA is responsible for allocating all competitive (9% Tax Credits) and Volume Cap Tax Credits (4% Tax Credits) for the State of New Jersey. All projects are awarded credits in accordance with HMFA's adopted Qualified Allocation Plan (QAP) for the State of New Jersey, approved by the NJHMFA Board in July 2015.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increase the supply of affordable housing	2015	2019	Affordable Housing Homeless	State of New Jersey	Affordable housing Eliminate homelessness	HOME: \$1,472,514	Rental units constructed: 20 Household Housing Unit Homeowner Housing Added: 20 Household Housing Unit
2	Assist homeless households	2015	2019	Homeless	State of New Jersey	Eliminate homelessness	HOPWA: \$1,005,187 ESG: \$5,000,000	Tenant-based rental assistance / Rapid Rehousing: 525 Households Assisted Homelessness Prevention: 100 Persons Assisted
3	Revitalize municipalities (small cities)	2015	2019	Non-Housing Community Development	State of New Jersey	Community revitalization	CDBG: \$2,250,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 19920 Persons Assisted
4	Neighborhood rehabilitation	2015	2019	Affordable Housing	State of New Jersey	Neighborhood revitalization	CDBG: \$2,250,000 HOME: \$500,000	Homeowner Housing Rehabilitated: 135 Household Housing Unit
5	Expand homeownership opportunities for low and mod	2015	2019	Affordable Housing	State of New Jersey	Homeownership	100 Percent Financing: \$10,000,000	Direct Financial Assistance to Homebuyers: 50 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Foster community economic development	2015	2019	Non-Housing Community Development	CDBG - Eligible Towns	Economic development	CDBG: \$600,000	Businesses assisted: 2 Businesses Assisted Other: 200 Other
7	Sandy Revitalization	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Sandy Impacted Counties	Affordable housing Eliminate homelessness Community revitalization Neighborhood revitalization Economic development Homeownership	CDBG-R: \$4,174,429,000	Homeowner Housing Rehabilitated: 18541 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 2250 Households Assisted Businesses assisted: 891 Businesses Assisted

Table 70 – Goals Summary

Goal Descriptions

1	Goal Name	Increase the supply of affordable housing
	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.
2	Goal Name	Assist homeless households
	Goal Description	The State will provide homeless prevention and rapid re-housing activities to those in or at risk of becoming homeless. The In addition, the State will support local jurisdictions' planning process to reduce and end homelessness.
3	Goal Name	Revitalize municipalities (small cities)
	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	Neighborhood rehabilitation
	Goal Description	The State will provide funding to rehabilitate low-income homeowner's housing.
5	Goal Name	Expand homeownership opportunities for low and mod
	Goal Description	The State will provide funds to increase housing options for low- and moderate-income families. The funding for this goal is from the New Jersey Housing and Mortgage Finance Agency's 100% Financing Program. The program's one year allocation is \$10 million.
6	Goal Name	Foster community economic development
	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.

7	Goal Name	Sandy Revitalization
	Goal Description	Superstorm Sandy disaster recovery and rebuilding activities.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

Below are the allocation percentages outlined for affordable housing and neighborhood rehabilitation activities. These percentages are best estimates and actual percentages allocated to each priority may fluctuate based on the needs that arise throughout the program year.

Funding Allocation Priorities

	Increase the supply of affordable housing (%)	Assist homeless households (%)	Revitalize municipalities (small cities) (%)	Neighborhood rehabilitation (%)	Expand homeownership opportunities for low and mod (%)	Foster community economic development (%)	Sandy Revitalization (%)	Total (%)
CDBG	0	0	51	39	0	10	0	100
HOME	59	26	0	15	0	0	0	100
HOPWA	0	100	0	0	0	0	0	100
ESG	0	100	0	0	0	0	0	100
Other 100 Percent Financing	0	0	0	0	100	0	0	100
Other CDBG-R	0	0	0	0	0	0	100	100

Table 71 – Funding Allocation Priorities

Reason for Allocation Priorities

The allocation is based on the assessment of needs identified by the electronic needs survey; the developmental conference call; meetings with

program grantees; a review of customer service calls and the recommendations made by Governor Christie's Interagency Council on Homelessness.

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

The CDBG program will improve neighborhoods by providing funds for housing rehabilitation, infrastructure repairs and new public facilities. In addition, the program will help create economic opportunities

The HOME funds will be competitively awarded to nonprofit and for-profit developers to create new affordable housing units. In addition, HOME TBRA funds will continue to provide rent and utility assistance to elderly and disabled households. Also, HOME will provide funds to low-income homeowners to address substandard housing conditions.

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.

Distribution Methods

Table 72 - Distribution Methods by State Program

1	State Program Name:	CDBG Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	<ol style="list-style-type: none"> 1. CDBG provides funds to rehabilitate housing, create suitable living environments, and enhance economic opportunities in non-entitlement areas throughout the State. 2. ESG provides grants to create, expand or improve the quality of shelters and transitional housing facilities. 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. 3. HOME provides funds to develop affordable housing units and provides rental assistance to victims of domestic violence and disabled households.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

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?

- Benefit to Low/Moderate Income People
- Prevention or Elimination of Slums & Blight
- Urgent Need

Does application address at least one of the State Program Objectives?

- 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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- 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

<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.</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>NA</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>NA</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Emergency Housing Repair Fund (\$20,000) provides funds to correct emergency conditions in owner-occupied housing where the owner is income-eligible and unable to obtain assistance from any other public or private source. Assistance will be provided on a first-come, first-served basis to the extent funds are available. Only eligible units of local government may apply on behalf of the homeowner.</p> <p>Innovative Development Fund (\$600,000) provides funds for CDBG eligible activities that meet one of the three national objectives of the program, but do NOT qualify for funding under the other Small Cities categories. Grants may only be awarded to an eligible Unit of Local Government and may not exceed \$300,000 unless compelling reasons for exceeding that amount are set forth by the applicant and accepted by the DCA.</p> <p>Housing Rehabilitation Fund (\$1,000,000) 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>Public Facilities Fund (\$ 4,187,624) 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>
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	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:	ESG Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	<p>The Shelter Support Program provides funds to maintain shelter facilities by:</p> <ol style="list-style-type: none"> 1. Addressing life and safety issues 2. Purchasing equipment and furnishings that will provide direct benefits to the shelter's residents 3. Creating new emergency shelter beds when needed 4. 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 with 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. Sufficient amount of revenue/income to operate the project • All applicants are required by the US Department of Housing and Urban Development to: 1) obtain a DUNS 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>NA</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)	Eligible entities are government entities and nonprofit organizations
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	NA
	Describe how resources will be allocated among funding categories.	Emergency Shelters/Transitional Facilities: \$1,494,499 Homeless Prevention/Rapid Re-Housing: \$1,000,000
	Describe threshold factors and grant size limits.	The maximum award to a grantee is \$300,000
	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 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; and • Rehabilitate low-income homeowners' housing units.
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<ol style="list-style-type: none"> 1. Capacity of the applicant to successfully undertake the proposed activities 2. 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) 3. Does the applicant have any unresolved audit findings with DCA? 4. Does the applicant have a sufficient amount of revenue/income to complete the project? 5. 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>NA</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>NA</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>NA</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>CHDO Production (\$495,419) 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.</p> <p>Housing Production Investment (\$977,095) provides funds to developers for the purpose of creating affordable rental and sale 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) (\$1,000,000) helps reduce the housing costs of very low-income households by providing direct rent subsidy payments to their landlords.</p> <p>HOME Neighborhood Rehabilitation (\$500,000) provides up to \$20,000 to low-income homeowners to address substandard issues.</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, 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>

	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).
4	State Program Name:	HOPWA Program
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Provides housing assistance to low- income persons with HIV/AIDS.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	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 must be referred to DCA 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 receive HIV case management and related services through State and federal (Ryan White) funded grantees in their area.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	NA
	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)	NA

<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 Department of Health selects the community-based support organizations that provide participants with case management and 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 basis in order to review program activities and progress</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>All funds are allocated for rental assistance</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The amount of housing assistance provided is approximately 30% of the participants' adjusted gross income.</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>

Discussion:

All funds will be distributed in the manner stated above.

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?

Yes

Available Grant Amounts

A non-entitlement unit of local government public entity in New Jersey may apply for up to five times the latest approved CDBG amount received by its State, minus any outstanding Section 108 commitments and/or principal balances on Section 108 loans for which the State has pledged its CDBG funds as security. In 2015, the State of New Jersey is scheduled to receive \$6,090,333 in CDBG funds.

Acceptance process of applications

Local governments that seek Section 108 guaranteed loans (by HUD) must approach DCA and demonstrate the need for the loan, the viability of the project and compliance to the state's CDBG Program rules and regulations. DCA then forwards the loan information to HUD- Newark regional office, which then undergoes an underwriting process to determine the loans' eligibility, viability and ability to pay the loan off. If approved by HUD, the State's CDBG program must pledge future CDBG allocations as security for the loan.

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?

No

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

There are currently no approved Community Revitalization Strategies Areas in the State of New Jersey

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

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.

Rationale for the priorities for allocating investments geographically

Feasible projects submitted that are ready to proceed will receive priority.

Affordable Housing

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

Introduction:

The one-year goals for affordable housing vary by program and the population to be served.

One Year Goals for the Number of Households to be Supported	
Homeless	400
Non-Homeless	0
Special-Needs	125
Total	525

Table 73 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	525
The Production of New Units	20
Rehab of Existing Units	20
Acquisition of Existing Units	0
Total	565

Table 74 - One Year Goals for Affordable Housing by Support Type

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

Introduction:

The Department of Community Affairs is the State Public Housing Authority (PHA). In addition to administering over 21,000 vouchers, DCA oversees a Section 8 Homeownership Program and the Family Self-Sufficiency Program.

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

DCA will continue to promote the following programs to Housing Choice Voucher participants:

Section 8 Homeowner Program which allows families who are receiving Housing Choice Voucher rental assistance to use that assistance to help pay the mortgage on a home they buy. In order to qualify, the family must be a first-time homebuyer, be employed full time for at least one year with a minimum annual income of \$20,800 or \$10 per hour (except for elderly and disabled), have decent credit and successfully complete housing counseling sessions.

The Family Self-Sufficiency Program (FSS) which assists low-income tenants 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.

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

As previously stated, DCA is promoting this program.

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

DCA will continue to work in conjunction with the local HUD field office in addressing the needs of struggling public housing authorities throughout the state. The State has also taken over the administration of vouchers for several troubled PHAs in the past.

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

Introduction

The State will continue working to reduce and end homelessness by collaborating with community-based non-profits, local Continuum of Care and reviewing the recommendations made by Governor Christie's Interagency Council on Homelessness, including housing first policies, rapid re-housing, and improved coordination among state agencies and social service providers that deliver key services to homeless individuals and families and those at risk of homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including 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, supportive housing 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 or households in imminent risk of homelessness due to a rental eviction through the Homelessness Prevention Program (HPP). The HPP can provide the following types of assistance:

1. 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.
2. Relocation: security deposit of up to 1 ½ months' rent and 2 months' rent.

ESG: The State of New Jersey will continue to provide rapid re-housing assistance through the Homelessness Prevention and Rapid Re-Housing 2 Program to homeless households at or below 30 percent of Area Median Income (AMI). Rapid re-housing assistance includes: financial assistance, case management, housing search and placement, credit repair, money management and budgeting.

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:

1. Address life and safety issues in emergency shelters and transitional housing facilities
2. Purchase equipment and furnishings that will provide direct benefits to the shelter's residents

3. Create new emergency shelter beds when needed

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 funds for Shelter Plus Care funding. The Shelter Plus Care Program provides 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, Middlesex, Monmouth, Morris, Passaic and Warren Counties. In addition, the State through the Homelessness Prevention and Rapid Re-Housing Program will continue to provide rapid re-housing assistance to households up to 30 percent of Area Median Income. 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, HOME Tenant-Based Rental Assistance and Shelter Plus Care programs.

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

The State will continue to use a portion of its Emergency Solutions Grant funds along with State Homelessness Prevention funds to provide financial assistance and services to either prevent homeless households from becoming homeless or rapidly re-house those who are homeless. In addition, the State will utilize Section 811 Supportive Housing for Persons with Disabilities program vouchers, recently awarded, along with State Rental Assistance Program and Division of Developmental Disabilities vouchers to provide rental assistance to low-income individuals being discharged from institutions.

On April 27, 2015, Governor Chris Christie announced the formation of a Working Group to further explore ways in which to reduce and prevent homelessness in New Jersey.

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	125
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	125

Table - 75

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

Introduction:

There are a myriad of both State and federal issues affecting the availability of affordable housing. Barriers to affordable housing include outdated local land-use regulations, high development standards and lengthy and complex permit processes.

Development Standards: Building, fire safety, site, and subdivision standards set a minimum level of protection for the public. The implementation of these standards attempts to make the development and construction process more consistent, predictable, and timely.

Redundancy in the Permit Process: Housing and other development in New Jersey must be approved by several State agencies, regional planning agencies, county planning boards, sewer/wastewater treatment utilities, soil conservation agencies, and municipal planning boards. Although New Jersey has made progress to streamline the residential construction process and make it more consistent, predictable, and timely, delays and duplications remain.

Infrastructure Financing: Like most states, New Jersey has struggled with how to maintain roads, sewers, potable water, parks, and other public facilities and how to build and maintain new infrastructure. To pay for these needs, New Jersey has relied increasingly on user fees and other pay-as-you-go approaches. Builders are assessed impact and linkage fees to pay more of the cost of public facilities and services. These costs tend to be passed on to new homeowners and renters.

Redevelopment: Redevelopment that leads to the demolition or conversion of both subsidized and unsubsidized/market rate housing, resulting in displacement or exclusion of lower-income households.

Poor Credit: Many very low and low-income households have difficulty obtaining adequate housing as a result of credit problems.

Shortage of Rental Assistance: The State is experiencing a shortage of available rental housing at every level. This is particularly the case with affordable housing. Many at-risk households turn to rental assistance programs to maintain and secure housing. The State, through the Housing Choice Voucher Program, HOME Tenant-Based Rental Assistance Program and the State Rental Assistance Program, is working to assist as many very low- and low-income households as possible within our financial

constraints.

Shortage of Workforce Housing: The shortage of affordable housing for low and moderate-wage workers is a problem in New Jersey. Many of these workers can only find affordable housing by living far from their jobs and enduring long commutes. This increases suburban sprawl and leads to excessive automobile commuting and energy use.

Not in My Backyard (NIMBY)/Racial, Ethnic and Income Discrimination: Perhaps the primary obstacle to affordable housing is the overall misconception as to how affordable housing impacts a community. The public perception is that it will attract a population of poor and uneducated individuals; resulting in increased crime, decreased property values and social unrest. Community leaders are very much influenced by these public misconceptions.

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

Although the ability of the State to eliminate, or even mitigate, some of these barriers is limited, New Jersey has a number of policies, programs and proposals to address regulatory barriers to affordable housing.

1. Continue to partner with HMFA to provide credit counseling to very low-income and low-income Section 8 households interested becoming homeowners. In addition, DCA through its Homelessness Prevention and Rapid Re-Housing Program is providing credit counseling to eligible households, 30% or less of AMI, receiving prevention and rapid re-housing assistance.
2. Continue to apply for additional competitive vouchers through the Family Unification Program, the Veterans Affairs Supportive Housing Program, and the Non-Elderly Disabled Program etc.
3. Promote the Live Where You Work Program.
4. Promote the development of an educational effort to dispel the myths, build support for and neutralize opposition to new housing development.
5. Promote the establishment of a Land Use Court.
6. Promote the development of transit accessible, pedestrian friendly and environmentally responsible communities within easy reach of employment opportunities are all considered in the design of

affordable housing.

7. Continue to provide CDBG funds for infrastructure.

8. Continue to place a high priority on the long-term preservation of existing, viable affordable housing stock.

Discussion:

The State will continue to address the identified barriers

AP-85 Other Actions – 91.320(j)

Introduction:

The State has in place a number of other actions to address issues related to: obstacles to meeting underserved needs, 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 address obstacles to meeting underserved needs

DCA will continue efforts to ensure maximum state coverage with program resources by the doing the following:

1. Enhancing local capacity building and serving disadvantaged and under-served areas.
2. Continuing to work with units of general local government so that nonprofits and businesses will be able to receive grants.
3. Collaborating with HUD, various state departments and agencies such as the NJ Housing and Mortgage Finance Agency, and NJ Redevelopment Authority and the NJ 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.

Actions planned to foster and maintain affordable housing

In addition to using CDBG, ESG, HOME and HOPWA funds to address the affordable housing need, the State will continue to coordinate the use of all available resources such as the Low Income Housing Tax Credit Program and HMFA's Multi-Family Rental Housing Program to develop new affordable housing.

Actions planned to reduce lead-based paint hazards

The State will continue to fund projects that address lead-based paint hazards. These types of projects include paint stabilization, window and door replacement, and exterior treatments to include siding and porch repair and/or replacement.

The HOME and CDBG Programs require that all housing undergoing rehabilitation meet Part 35, HUD's Lead Safe Housing Rule, EPA's Renovation, Repair, and Painting rule (RRP), and associated regulations. Post-rehabilitation, properties are to be maintained in accordance with HUD's Section 8 Housing Quality Standards (HQS).

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:

- Providing shelter, food, clothing, and social services to families in crisis.
- Supporting the development of permanent, transitional and affordable housing and shelter facilities.
- Providing health care to homeless people.
- Aiding homeless runaway youth.
- Assisting individuals who are mentally or physically impaired.
- Helping victims of domestic violence.
- Providing low income energy services.
- Administering rental assistance programs.
- Providing job training to low income and homeless individuals.
- Providing 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 will pursue the following actions over the next 5 years to develop institutional structure and enhance coordination between public and private housing and social services.

- **Coordination of housing development with economic opportunities and community development:** This comprehensive approach, which ties job opportunities and social services to housing revitalization, will help stabilize depressed areas as well as promote self-sufficiency of the area's residents.
- **Provision of planning and technical assistance for non-urban counties/municipalities:** Non-urban communities often do not make affordable housing a financial or political priority. This creates a severe problem in rural counties where hundreds of subsidized units are lost through prepayment of HUD and FHA mortgages. Remedial actions to be undertaken by DCA will include outreach, education and technical assistance to these rural areas.

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

Government agencies, 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 is committed to addressing all of these issues.

Program Specific Requirements

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

Introduction:

The following are the program specific requirements for the CDBG, ESG, HOME and HOPWA Programs.

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

The State utilizes the Department of Community Affairs' System for Administering Grants

Electronically (SAGE) to announce all of its Requests for Proposals. The SAGE site

(<https://njdcasage.state.nj.us/>) includes detailed information on the State's HOME Program

requirements, identifies eligible agencies, and provides contact information. DCA utilizes SAGE to review, approve, and manage the HOME grants electronically

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:

Housing units sold during the period of affordability will be sold solely to low-income households who will use the property as their principal residence and not lease the unit. The DCA will approve all resale prices in advance to assure that the original owner receives a fair return on their investment.

All conveyances of restricted ownership units shall be made by deeds and restricted conveyances

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:

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 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.

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.

Emergency Solutions Grant (ESG)

Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)
Grantee agrees to fully comply with the provisions of this Agreement; the applicable fair housing and civil rights requirements at 24 C.F.R. § 5.105(a); the uniform administrative requirements for local units of government at 24 C.F.R. Part 85, or for non-profit organizations at 24 C.F.R. Part 84, as applicable.
2. Grantees receiving funds to renovate an emergency shelter and transitional shelter will be required to meet the following contractual performance:
Prior to the disbursement of funds, the Grantee shall submit the following documents to the Department for approval:
 - 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 sufficient funding to complete the renovation from sources other than those provided by this Agreement, to the extent that such 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.
3. 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.
4. The Grantee shall provide the Department with an annual certification, for a period of three years (for capital expenses under \$100,000) and ten 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.
 5. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.
New Jersey CoCs are in the process of developing and implementing a coordinated access and assessment system for all CoC and ESG-funded programs.
 6. 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 SAGE system and electronic notices are sent out to all of the State's Continuum of Care contacts and to all of the Municipal Clerks through DCA's Division of Local Government's newsletter.
 7. 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 meets this requirement.
 8. Describe performance standards for evaluating ESG.
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 six 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.

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

Sandy Programs

Direct Loans for Small Businesses	The Direct Loans to Small Business program provides eligible small businesses and nonprofits impacted by Superstorm Sandy, as well as businesses looking to expand within storm-impacted communities, low-cost loans with 0% interest for the first 24 months and no principal payments for up to two years.
Neighborhood & Community Revitalization	The Neighborhood and Community Revitalization (NCR) Program supports the long-term recovery of small businesses and communities by funding long-term economic revitalization priorities.
Tourism Marketing	This program provides for tourism marketing campaigns designed to promote stabilization or increase in tourism-related revenues in New Jersey and counteract the misconception following Superstorm Sandy that the entire New Jersey coastline was devastated by the storm and closed to tourism.
New Jersey Energy Resilience Bank	The New Jersey Energy Resilience Bank Program build energy resilience by providing technical and financial support, including grants and low-interest loans, to critical facilities to realize energy resilience projects or enhancements to existing energy infrastructure.
Flood Hazard Risk Reduction Program - Acquisition	New Jersey Department of Environmental Protection (NJDEP) will use funds for an easement acquisition program to support Army Corps' efforts to implement flood risk reduction measures.
Flood Hazard Risk Reduction Program - Infrastructure	New Jersey Department of Environmental Protection (NJDEP) will use funds for competitive grants to local government entities for eligible flood hazard risk reduction and resiliency infrastructure measure improvements or projects.
FEMA Match (Cost-share/Match)	The FEMA Match program provides critical funding support to eligible applicants to cover the required match for FEMA Public Assistance Projects. CDBG-DR funds will be used to provide some, or all, of the match requirement under FEMA's assistance.
Federal Highway Administration (Cost-share/Match)	The program will provide funds to NJ Department of Transportation to cover the non-federal match portion of transportation infrastructure post-storm repair and resiliency projects, primarily Route 35, funded under the Federal Highway Administration Program.
Wastewater State Revolving Fund (Cost-share/Match)	New Jersey Department of Environmental Protection (NJDEP) will use funds to cover the 20% required non-federal match for the EPA program to complete the repair and restoration of wastewater treatment systems and water supply systems, as well as increasing the resiliency and durability of these systems to help mitigate future risk and loss.
Essential Public Services	The Essential Services Grant program provides grants to local governments to ensure the continued provision of essential services to towns impacted by Sandy. Essential services includes those services directly necessitated by Superstorm Sandy itself (e.g. extra police patrols, increased public works efforts, education services for dislocated students) and basic essential services critical to preventing population loss.
Unsafe Structure Demolition	The Unsafe Structure Demolition program provides funding to be used by state agencies to obtain resources to identify unsafe structures in need of demolition, to demolish unsafe structures, to remove debris and to perform any additional activities or address other costs ancillary or related to demolitions.
Code Enforcement	Code Enforcement ensures that homes are built safer and up to current building code standards. This program supplements local code enforcement offices with additional personnel, provides an online review and permitting process, and enhances the continuing education curriculum for code officials to include training in flood hazard mitigation practices and other storm-related code issues.
Zoning Program	The Zoning Program provides supplemental grants to local code enforcement offices directly and through funds to individual municipalities to increase the municipalities' capacity to respond to the increased demand for zoning code and building code enforcement as a direct result of damage caused by Superstorm Sandy and the resultant rebuilding activity.
Housing Counseling /Case Mgmt. Program	The Sandy Recovery Housing Counseling program offers free HUD-certified housing counseling services to renters and homeowners who were impacted by Superstorm Sandy and lived in one of the nine counties most impacted by the storm at the time of Sandy.
Supportive Services - DDH Mosquito Surveillance Program	The Supportive Services Program delivers grants for critical supportive services needs that have been increased as a result of Hurricane Sandy such as providing funding to control the mosquito population within the nine most impacted counties.
Supportive Services - DEP Mosquito Control Program	The Supportive Services Program delivers grants for critical supportive services needs that have been increased as a result of Hurricane Sandy such as providing funding to control the mosquito population within the nine most impacted counties.
Homeless Housing/Tenant Based Rental Program	TBRA program provides tenant-based rental assistance to low-to-moderate income households to increase provision of affordable rental units and prevent homelessness. The rental assistance is authorized by HUD through a waiver for a limited period and must be completed by December 31, 2018.
Lead Hazard Reduction Program	The Lead Hazard Risk Reduction program focuses on providing funding to community based organizations and units of local and county government with experience in administering lead hazard reduction and/or weatherization programs to for the purpose of providing lead assessment, lead hazard reduction and clearance.
Local Planning Services	DCA's Office of Local Planning Services (LPS) provides grants to municipalities to undertake sound planning strategies to ensure long term recovery.
Planning-DCA	Planning funds are designed to provide planning support for programs and grantees. Activities include planning work with the Environmental Mitigation Bank and a GIS planning system through Virtual NJ.
Rebuild by Design	HUD awarded two projects under the Rebuild by Design competition to increase resiliency. The Hudson River Project ("Resist, Delay, Store and Discharge") will implement hard infrastructure and soft landscape for coastal protection and resiliency. The New Meadowlands Project will implement marshland restoration and infrastructure projects to protect the surrounding areas.

Discussion:

The State will utilize the above-referenced federal programs to address the housing and community development needs identified.

Appendix - Alternate/Local Data Sources

1	Data Source Name Maplebrook Neighborhood Study
	List the name of the organization or individual who originated the data set. Joe Smith, Intern
	Provide a brief summary of the data set. Needs Study - telephone samples
	What was the purpose for developing this data set? Need for more detail regarding the neighborhood
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? One neighborhood, Maplebrook
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? Study completed December 2012
	What is the status of the data set (complete, in progress, or planned)? Complete
	2
Data Source Name Maplebrook Neighborhood Study1	
List the name of the organization or individual who originated the data set. Joe Smith, Intern	
Provide a brief summary of the data set. Analysis of housing, land use, survey of residents about priority needs	
What was the purpose for developing this data set? Neighborhood information more clear	
How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? One geographic area	

	<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>2012-2013</p>
	<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>Completed on August 31st</p>
3	<p>Data Source Name</p> <p>Demographic Data</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>US Census</p>
	<p>Provide a brief summary of the data set.</p> <p>Statistical survey</p>
	<p>What was the purpose for developing this data set?</p> <p>The data was used to conduct a needs assessment.</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2013 ACS</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Annual survey</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Sample of approximately 3.5 million housing unit addresses</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>3.5 million households</p>
4	<p>Data Source Name</p> <p>HMIS Data on Homelessness</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>NJ Housing and Mortgage Finance Agency and Foothold Technology</p>
	<p>Provide a brief summary of the data set.</p> <p>Admissions data from 2015</p>
	<p>What was the purpose for developing this data set?</p> <p>Current data</p>

	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>04/01/14 - 03/31/15</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Households assisted with homeless programs funds are entered into the HMIS data base.</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Homeless admissions to emergency shelters and transitional housing facilities (between April 1, 2014 and March 31, 2015). The total number of households was 20,171</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>Household with Adults and Children, Households with Only Adults, Households with Only Children, Unknown Household Type</p>
5	<p>Data Source Name</p> <p>2015 Point In Time Survey</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>The 2015 Count reveals important demographic and other information about families</p> <p>The survey was carried out with the help of government agencies, community-based organizations, and local volunteers.</p>
	<p>Provide a brief summary of the data set.</p> <p>The Point in Time Count (PIT) is a snapshot of the number of homeless residing in the State.</p>
	<p>What was the purpose for developing this data set?</p> <p>The data provides a snapshot of homeless households, identifies where they find shelter and what factors contribute to making them homeless.</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>January and February 2015</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Statistically reliable and unduplicated count of the homeless over the course of two days.</p>
	<p>Describe the total population from which the sample was taken.</p> <p>7,441 households, including 10,211 persons</p>

	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>On the nights of the 2015 Point in Time Count a total of 7,441 households, including 10,211 persons, were experiencing homelessness in New Jersey</p>
6	<p>Data Source Name</p> <p>Department of Health Statistics</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>NJ Department of Health</p>
	<p>Provide a brief summary of the data set.</p> <p>Information collected by the Department of Health on incidence of HIV/AIDS</p>
	<p>What was the purpose for developing this data set?</p> <p>To track the incidence of HIV/AIDS</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2014</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Reported cases of New Jersey residents living with HIV/AIDS (As of December 31, 2014)</p>
	<p>Describe the total population from which the sample was taken.</p> <p>State of New Jersey</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>38,075 households</p>
7	<p>Data Source Name</p> <p>2013 American Community Survey</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>Statistical survey by the US Census Bureau</p>
	<p>Provide a brief summary of the data set.</p> <p>The survey gathers information such as ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics</p>

	<p>What was the purpose for developing this data set?</p> <p>The data was necessary to complete a needs assessment</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2013</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Annual survey</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Sample of approximately 3.5 million housing unit addresses</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>3.5 million households</p>
8	<p>Data Source Name</p> <p>2008-2012 CHAS</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>US Department of HUD</p>
	<p>Provide a brief summary of the data set.</p> <p>Data is based on the 2008-2012 American Community Survey. The data is used to identify housing problems and housing needs, particularly for low income households.</p>
	<p>What was the purpose for developing this data set?</p> <p>To identify housing problems and housing needs, particularly for low income households.</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2008-2012</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Survey conducted by the US Census</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Sample of approximately 3.5 million housing unit addresses</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>3.5 million households</p>

Attachments

Citizen Participation Comments

Comment: DCA must include individuals with intellectual and developmental disabilities in all of their priorities.

Response: DCA has added individuals with intellectual and developmental disabilities in its priorities.

Comment: DCA should insure that all housing models for individuals with intellectual and developmental disabilities are included – group homes for individuals living in the most challenging situations, individual apartments, scattered site apartments, condominiums and homeownership.

Response: DCA will continue to promote the creation of the referenced affordable and accessible housing models to meet the housing needs of people with all types of disabilities.

Comment: DCA should ensure that there are ample federal and state rental vouchers or other subsidies so that persons with disabilities who live on very low-incomes.

Response: Unfortunately the need for housing assistance far exceeds their availability. Currently all of the vouchers allocated to DCA are in use. If and when vouchers become available, DCA will begin selecting applicants who applied to the waiting list.

Comment: The draft Con Plan fails to mention the issue of patterns of racial, ethnic and economic segregation, or the adverse economic consequences that arise from that segregation. Specifically, there is no discussion of fair housing or desegregation in the draft Con Plan’s Summary of Objectives and Outcomes, the Needs Assessment, or the Strategic Plan. The Con Plan must address this segregation, including formulating objectives and plans of action to reduce segregation and eliminate other impediments to fair housing. In addition, the draft Con Plan also fails to include relevant demographic data on the issue of segregation at the census tract level.

Response: These issues are addressed in detail in the 2015-2019 Analysis of Impediments and actions described therein have been added to the Consolidated Plan as an attachment. Additionally, data from the 2015-2019 Analysis of Impediments that discusses segregation has been added to the Needs Assessment section and the following has been added to “Actions Planned to Address Obstacles to Meeting Underserved Needs”:

The State, through its programs and initiatives provides opportunities for all residents of the State, regardless of income, race, religious creed, color, national origin, sex, gender identity, age, ancestry, veteran status, physical or mental impairment, affectional or sexual orientation, marital or domestic

partnership or civil union status, family status, disability, gender identity or expression, or source of lawful income or rent payment.

New Jersey will continue to help low income families access neighborhoods of high opportunity by providing housing assistance, funding the construction of low and moderate income housing, and by directing project-based federal and State rental assistance to low poverty areas. The specific actions that State intends to take in the next five years to affirmatively further fair housing are included in the 2015 -2019 Analysis of Impediments to Fair Housing Choice.

Comment: The draft Con Plan properly acknowledges that, as per HUD, a “disproportionate need” exists when the members of a racial or ethnic group at an income level experience housing problems at a greater rate (10% or more) than the income level as a whole; however, the draft Con Plan fails to assess this issue or provide the necessary data to make that assessment. This is true as to all categories of greater need.

Response: The analysis in the Consolidated Plan is based primarily upon the 2007-2011 and 2008-2012 American Community Survey (ACS) five-year data set. This data set provides the most in-depth and reliable information available on housing and income challenges for various racial, ethnic, and special needs populations. The ACS information is provided by HUD through the Integrated Disbursement and Information Systems (IDIS) template used to develop and submit this Plan. The ACS data has been augmented with supplemental information where needed and appropriate in the analysis.

Comment: This draft devotes significant attention to increasing the number of affordable units, but fails to show how that will be done in a way that addresses the lack of housing choice for protected classes.

Response: As previously stated, the following has been added to “Actions Planned to Address Obstacles to Meeting Underserved Needs:

The State, through its programs and initiatives provides opportunities for all residents of the State, regardless of income, race, religious creed, color, national origin, sex, gender identity, age, ancestry, veteran status, physical or mental impairment, affectional or sexual orientation, marital or domestic partnership or civil union status, family status, disability, gender identity or expression, or source of lawful income or rent payment.

New Jersey will continue to help low income families access neighborhoods of high opportunity by providing housing assistance, funding the construction of low and moderate income housing, and by directing project-based federal and State rental assistance to low poverty areas. The specific actions

that State intends to take in the next five years to affirmatively further fair housing are included in the 2015 -2019 Analysis of Impediments to Fair Housing Choice.

Comment: The draft fails to reflect post Sandy housing conditions and needs.

Response: The following data addressing post-Sandy needs has been added: post-storm percent of population below poverty level for the Superstorm Sandy-affected Counties; post-storm percent of population that is minority; change in HUD subsidized housing units, 2011-2013; and major and severe damage to housing units; vacant housing units; areas of minority concentration; and change in HUD subsidized units.

Comment: The Citizen Participation process employed by the State simply did not comply with federal citizen participation requirements. The State's outreach efforts failed to target residents of blighted areas and businesses, developers, nonprofits, philanthropic organizations and community-based and faith-based organizations. The draft, and the scheduled public hearing, announced in the late afternoon of the last day before an extended national holiday weekend, was published five page levels below the www.state.nj.gov page. The single hearing was held between 10:00 AM and noon on a workday. The information provided was also not sufficiently accessible to people with Limited English Proficiency. While one could push the language selection button near the top of the 'Housing & Community Resources' page and the title to the notice would appear in another language, the Notice itself universally appears only in English. Finally, the link, on the Notice, to the draft, was extremely hard to access and appeared to virtually all who attempted to view the document as inactive for days after the July 2 posting.

Response: The State does comply with the citizen participation requirements. In an effort to solicit comments from as many individuals and agencies as possible the State sent e-mail notifications to over 3,000 nonprofit and for-profit agencies, local governments and the County Continuum of Care announcing the scheduling of the developmental conference call and public hearing, the posting of the electronic survey and the draft plan. The hearing was held in a State building (DCA) that is centrally located and handicapped accessible. DCA also has staff on-site that is proficient in a multitude of languages; these individuals are able to converse with non-English speakers. In addition, anyone unable to attend the hearing was able to submit written comments.

DCA successfully posted the draft plan on the web on July 2, 2015; we were notified on July 6th by HUD that there was technical problem downloading the draft. The technical issue was corrected shortly thereafter.

In an effort to expand next year's citizen participation process, DCA is considering adding a web-based hearing utilizing GoToMeeting.com to allow participation from individuals not able to attend in person.

Comment: Executive summary should include a discussion of the State's process for developing the plan and describe key findings of the Needs Assessment.

Response: The Executive summary did include the process that the State used to develop the plan. The summary has been expanded and now includes key findings of the needs assessment and the goals.

Comment: Barriers to Affordable Housing should identify the barriers and strategies to overcome barriers in a more particular and state specific manner – barriers should be linked to proposed strategies.

Response: The barriers and strategies have been linked.

Comment: The institutional delivery structure and coordination should be more inclusive of entities beyond government agencies.

Response: The following has been added to this section: In addition to the agencies identified, the State partners with nonprofits, faith-based organizations, community action agencies, social service providers and public housing authorities to address homelessness, provide housing opportunities and foster economic development.

Comment: Antipoverty strategy should specifically describe the goals and programs and policies to reduce the number of persons in poverty.

Response: A list of programs that the State will utilize to reduce the number of New Jersey residents living in poverty has been added.

Comment: The plan must include a priority homeless needs table and a summary of priority housing and supportive service needs of the non-homeless

Response: This information has been added.

Comment: The Analysis of Impediments (AI) was not done in a timely manner; the draft Con Plan should have been done in coordination with the AI, and the Con Plan must reflect the material in the AI.

Response: The impediments and actions described in the draft Analysis of Impediments have been added to the Consolidated Plan as an attachment. The attachment will be replaced with the impediments and actions identified in the final AI.

New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT
BLOCK GRANT - DISASTER RECOVERY

Public Law 113-2; January 29, 2013

FR-5696-N-01; March 5, 2013

FR-5696-N-06; November 18, 2013



ACTION PLAN AMENDMENT NUMBER 7 SUBSTANTIAL AMENDMENT FOR THE SECOND ALLOCATION OF CDBG-DR FUNDS

PUBLIC COMMENT PERIOD: February 3, 2014 – March 5, 2014
DATE SUBMITTED TO HUD: March 25, 2014
DATE APPROVED BY HUD: _____

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner



101 South Broad Street, P.O. Box 800
Trenton, NJ 08625-0800



This Substantial Amendment to the Action Plan (as proposed and then approved) will be available for public review at www.state.nj.us/dca/. It will be made available in English and Spanish.

For those who otherwise cannot obtain a copy of this Substantial Amendment to the Action Plan, the Department of Community Affairs will make copies available upon request. Requests for copies should be directed to the following address:

New Jersey Department of Community Affairs
1st Floor Information Desk
101 South Broad Street
Trenton, New Jersey 08625

The State has considered comments received in writing or via email on the proposed Substantial Amendment to the Action Plan. Comments on the proposed Plan were accepted through March 5, 2014 at 5 p.m. Eastern Standard Time. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.state.nj.us, or to the attention of Gabrielle Gallagher, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 800, Trenton, New Jersey 08625-0800. A summary of all comments received and responses has been included in the final version of this Substantial Amendment submitted for approval.

While HUD has required the State to hold at least one public hearing to solicit comments on this Substantial Amendment, the State held three public hearings at locations across the State. The dates, times and locations of the public hearings were:

- February 11, 2014; Stockton College (Atlantic County); 101 Vera King Farris Drive, Galloway, NJ 08205; Performing Arts Center; 4–7 pm
- February 12, 2014; New Jersey Institute of Technology (Essex County); 150 Bleeker Street, Newark, NJ 07102; Campus Center; 5:30–8:30 pm
- February 21, 2014; Brookdale Community College (Monmouth County); Robert J. Collins Arena; 765 Newman Springs Road, Lincroft, NJ 07738; 4–7 pm

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SECTION 1: INTRODUCTION

A bedrock principle of the State's comprehensive approach to recovery has been to leverage available federal, state, private and philanthropic recovery resources in a coordinated way to maximize their impact for recovering New Jerseyans. This is necessary because the needs created by the catastrophic damage that Superstorm Sandy caused in New Jersey across all sectors far exceed available resources. With that in mind, the rules and requirements associated with each funding source must be separately understood so each can be integrated into the recovery effort to make the best use of all available resources in order to help the most people and to realize critical recovery and resiliency projects. Funding streams include monies administered by: the Federal Emergency Management Agency (FEMA), including Public Assistance, Individual Assistance, and National Flood Insurance Program (NFIP) funds; U.S. Army Corps of Engineers (Army Corps); Federal Highway Administration (FHWA); Federal Transit Administration; U.S. Environmental Protection Agency (EPA); U.S. Small Business Administration; U.S. Department of Health and Human Services; U.S. Department of Labor; U.S. Department of the Interior; and U.S. Department of Defense; among others.

Community Development Block Grant-Disaster Recovery (CDBG-DR) funds – administered by the U.S. Department of Housing and Urban Development (HUD) and intended to address “unmet needs” not satisfied by other recovery resources – are another primary funding source being leveraged within the broader recovery effort. While subject to various federal rules and regulations, CDBG-DR funds allow the State to target critical unmet needs across various sectors. On February 6, 2013, HUD announced its initial allocation of CDBG-DR funds to Sandy-impacted states and awarded \$1,829,520,000 to New Jersey. On April 29, 2013, HUD approved the State's CDBG-DR Action Plan outlining New Jersey's intended programmatic uses of the first of three CDBG-DR funding allocations. New Jersey was able to begin accessing the first tranche of CDBG-DR funds in May.

The State quickly implemented a portfolio of programs targeting critical unmet needs. In standing up the programs, the State leveraged CDBG-DR funds with other funding sources to: (i) help homeowners and renters with unanticipated, non-construction storm-related expenses; (ii) repair or replace damaged owner-occupied and rental housing; (iii) provide much-needed capital to affected small businesses and investments in economic development and revitalization; (iv) allow for post-storm community planning; and (v) support hardest hit and financially strained municipalities to ensure essential services continue to be provided to residents.

The State also is leveraging recovery funds, including first tranche CDBG-DR monies, to rebuild more resiliently. Homes and other structures are being elevated. The State also is purchasing homes in targeted repetitive flood loss areas. Moreover, among large projects submitted for funding through FEMA Public Assistance (i.e., projects over \$500,000), more than 88 percent are not rebuilding to old design standards, and instead are seeking to incorporate resiliency measures and enhanced hazard mitigation standards in a manner compliant with the federal Stafford Act. Additionally, the State, working with New Jersey universities and the Army Corps, is assessing longer-term resiliency strategies in repetitive flood loss areas, including a number of urban centers. Infrastructure projects targeting roadways are incorporating resiliency and best practice mitigation measures including pump stations, flood vents and anti-scour measures. The State is also implementing a comprehensive strategy to build energy resiliency. A multi-layered approach to flood hazard risk reduction, including dune systems, berms and other resiliency measures, will better protect New Jersey against future storms. These are just a few examples of how the State is seeking to rebuild better and stronger.

As a direct result of these efforts, the support of federal, state and local recovery partners, and the hard work of volunteers and affected New Jerseyans, the State has seen clear and substantial progress in just fourteen months following Superstorm Sandy. Nevertheless, fifteen months is not nearly enough time to address the multi-billion dollar breadth of damage caused by the storm. Unmet needs arising from Sandy remain substantial, and there is still a great deal of work ahead.

To assist in the ongoing effort, on October 28, 2013, HUD announced the second allocation of CDBG-DR funds to Sandy-impacted states, of which New Jersey will receive \$1,463,000,000. On November 18, 2013, HUD published a notice to the Federal Register (FR-5696-N-06) prescribing rules for the use of these funds, and placing a particular focus on using second tranche funds for infrastructure projects. The rules require each state receiving funds to publish a Substantial Amendment to its Action Plan describing how second tranche funds will be used to satisfy overall unmet Sandy-related needs. For New Jersey, HUD also has required that at least 80 percent of second tranche CDBG-DR funds must be targeted to the nine most-impacted counties as determined by HUD (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties).

In this Substantial Amendment, the State first proposes to allocate additional funding to a number of programs established in the Action Plan, where program demand has exceeded available funding. Specifically, the State will add funding to some of the established homeowner and renter programs and programs to stabilize and revitalize municipalities. With the programs already established, second tranche CDBG-DR funds will be easily and efficiently integrated. Additionally, the

State proposes to use second tranche CDBG-DR funds to bolster ongoing efforts to purchase properties in targeted repetitive flood loss areas and convert the land to open space. The State also proposes to create a New Jersey Energy Resilience Bank to support financing for often costly energy resilience projects that, among other things, will alleviate electrical power outage issues that crippled New Jersey after Sandy, as well as integrate CDBG-DR funds into its broader strategy to realize multifaceted, more resilient flood risk reduction systems. Each of these programs is essential to addressing critical unmet needs arising from Sandy.

Importantly, second tranche CDBG-DR funds are not sufficient to satisfy all unmet recovery needs (including the more than \$19 billion in unmet needs quantified in this Substantial Amendment) requiring difficult choices and a balancing of diverse interests. In determining how to best use these funds, the State sought input from residents, stakeholder groups, elected officials and federal, state and local agency partners. These efforts are described in more detail in later sections, and the State has modified this Action Plan Amendment, as initially proposed for public comment, based on the input provided. If the State receives a third tranche of CDBG-DR funds, which would be vital to the State's ongoing recovery efforts, it will further evaluate unmet needs and target those resources to best support New Jersey's recovery.

Substantial Amendment to the Action Plan

Per Federal Register Notice FR-5696-N-06, to draw down second tranche CDBG-DR funds the State must prepare a Substantial Amendment to its Action Plan updating its unmet needs assessment and describing how second tranche CDBG-DR funds will be used to respond to Sandy-related unmet needs. In this Substantial Amendment:

- Section 2 updates the unmet needs assessment in the State's Action Plan and quantifies unmet needs across three critical recovery sectors: (i) housing, (ii) economic development, and (iii) infrastructure. The needs assessment is based on available data and is subject to change.
- Section 3 describes how second tranche CDBG-DR funds will be apportioned across existing State CDBG-DR funded programs and new programs.
- Section 4 sets out projected performance metrics with respect to the use of second tranche CDBG-DR funds.
- Section 5 describes the State's outreach efforts and public comment process with respect to this Amendment.

This document serves as an amendment to New Jersey's CDBG-DR Action Plan approved by HUD on April 29, 2013. All sections of that Plan, as adapted by amendments 1 – 6, remain in effect, unless otherwise noted herein.

SECTION 2: UPDATED IMPACT AND UNMET NEEDS ASSESSMENT

In accordance with HUD requirements, New Jersey's Action Plan used available data to quantify the State's unmet needs across three core recovery sectors: (i) housing, (ii) economic development and revitalization, and (iii) infrastructure. The assessment highlighted areas of unmet need and informed the State's allocation of its limited CDBG-DR funds while accounting for HUD requirements such as targeting assistance to low- and moderate-income (LMI) households and directing relief primarily to the nine most-impacted counties as determined by HUD (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties).

Demand for state programs funded with first tranche CDBG-DR monies has far outpaced available funding. Nearly all programs have waitlists or unfunded pipelines. Using the \$1,463,000,000 of second tranche CDBG-DR funds allocated by HUD to New Jersey, the State plans to continue to respond to critical storm-related unmet needs across various sectors, and to provide additional funding to several existing programs.

Because unmet needs far exceed available resources, the State faces difficult choices as to how to best allocate funding. To inform its decisions, the State has updated the unmet needs assessment in its Action Plan. In developing the updated unmet needs assessment below, the State conducted considerable outreach that included engaging the public, affected communities, federal, state and local elected officials, stakeholder groups, and other partners. These outreach efforts are more fully described in Section 5.

2.1 Summary of Unmet Needs

New Jersey's Action Plan presented available data to quantify unmet needs across core recovery sectors, and that assessment directly informed how the State allocated first tranche CDBG-DR funds to assist homeowners, renters, small businesses, and affected communities. As explained in the Action Plan, the State expected that its initial assessment just a few months after the storm could not fully capture the breadth of storm-related needs. Now further along in the recovery, and with the benefit of additional information including demand for its implemented CDBG-DR funded programs and a more robust infrastructure impact analysis, the State has updated its unmet needs assessment. A summary of the revised unmet needs assessment based on existing program data and other data, as derived from the figures in the subsections that follow, is shown in Table 2-1.

Table 2-1: Summary of Revised Remaining Unmet Needs Assessment for Housing, Economic Development & Infrastructure Sectors	
Recovery Sector	Remaining Unmet Needs
Housing (Homeowners and Renters)	\$1,669,357,190
Economic Development	\$241,011,926
Infrastructure	\$17,372,752,360
Total	\$19,283,121,476

Source: Table 2-4, Table 2-5, Table 2-6, Table 2-7, Table 2-13

Even after disbursement of this \$1,463,000,000 in second tranche CDBG-DR funds, Table 2-1 indicates that unmet needs will still amount to almost \$18,000,000,000 in these three primary recovery sectors (i.e., the projected \$19.28 billion in identified unmet needs less the \$1.463 billion provided to address unmet needs). Moreover, for the reasons described in the following subsections, that figure is based on approximations and likely undervalues the breadth of New Jersey's unmet needs, particularly when factoring in planning and resiliency measures.

2.2 Housing

New Jersey's Action Plan prepared in March 2013 estimated a total unmet housing need of \$2,504,993,992. The assessment was based on FEMA Individual Assistance data from March 2013 indicating that approximately 40,500 homeowners' primary residences and 15,600 rental units sustained "severe" or "major" damage from the storm, as those terms are defined by HUD.

The State has committed approximately \$1,300,000,000 (or 70 percent) of its initial tranche of CDBG-DR funds to housing initiatives (including \$145 million of first tranche CDBG-DR funds that were initially allocated for economic programs but later were moved to housing programs with HUD approval). As of December 2013, approximately 38,000 New Jersey homeowners and 1,900 landlords and developers (representing over 13,000 units) applied for funding through one or more of the nine housing programs. All housing programs were launched with great interest, with most being oversubscribed within the first few months. This demonstrates that unmet housing needs in New Jersey remain significant. While demand for the State's existing CDBG-DR funded homeowner and rental programs is a viable proxy to show unmet needs in New Jersey, for the reasons that follow it is expected to undervalue actual unmet needs across the State.

2.2.1 Needs of Homeowners

The Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program and the Homeowner Resettlement Program are the State's primary CDBG-DR funded recovery programs for homeowners. The State has allocated \$710 million and \$215 million of first tranche CDBG-DR funds to support these programs, respectively. Thousands of homeowners have been, or are being, assisted by first tranche CDBG-

DR funds provided through these two programs. However, as Table 2-2 shows, unmet needs for the RREM Program remain substantial.

Table 2-2: Summary of Homeowner Program Allocations and Existing Unmet Needs

Program	Total Allocation ^a	Total Number of Eligible Households	Number of Households Receiving Grant Award	Average Allocation per Unit	Estimated Program Need for Eligible Households (\$) ^b	Excess / (Shortfall)
RREM	\$710,000,000	12,389	5,124	\$106,000 ^c	\$1,313,234,000	\$(603,234,000)
Homeowner Resettlement	\$215,000,000	18,335	16,791	\$10,000	\$183,350,000	\$0

^a This Total Allocation amount reflects the shift of funds approved in Action Plan Amendment 4.
^b These figures exclude program delivery costs.
^c This figure is based on the average RREM grant awards that were signed as of January 13, 2014, and reflects the impact of private insurance, U.S. Small Business Administration (SBA) loans and other funding sources that are accounted for in the State's duplication of benefits analyses performed to ensure that CDBG-DR funds only are provided to address unmet needs. Notably, as of September 12, 2013, SBA disbursed more than \$122 million in loans across more than 5,100 homeowners and renters.

Calculating unmet need based on program demand likely undervalues the reconstruction and rehabilitation unmet needs of homeowners. It excludes the need of RREM Program applicants whose applications could not be funded because the applicants could not meet program eligibility criteria (e.g., second homeowners who, by federal rule, cannot receive CDBG-DR assistance). It also excludes primary and secondary homeowners affected by the storm who did not apply because they recognized they would not meet program eligibility criteria, or because of other reasons. Moreover, the State has received requests to re-open the application period for the RREM Program, which suggests there is additional demand for RREM assistance beyond the existing waitlist.

Table 2-2 also does not account for instances where unmet rehabilitation or reconstruction needs exceed the \$150,000 RREM grant and other recovery funding resources available to a homeowner. Per the approved RREM Program requirements, if a homeowner's reconstruction needs exceed the maximum available \$150,000 through the RREM grant, funding to cover the difference must be identified by the applicant before CDBG-DR funds can be invested in the rebuilding project. Philanthropic dollars committed through a "gap funding" program administered by the Community Development Financial Institution New Jersey Community Capital, with initial support of \$15 million, is one source that may be leveraged by homeowners to address funding gaps. Other private funding sources, including private loans, also may be available for housing construction needs above the maximum \$150,000 RREM grant.

Recognizing that CDBG-DR funds are insufficient to serve a substantial number of recovering homeowners, the State dedicated \$100,000,000 in the FEMA Hazard Mitigation Grant Program (HMGP) funds to provide grants of up to \$30,000 to households to assist with a portion of the cost of elevations needed to meet revised

FEMA elevation standards. The State estimates the HMGP funds can assist approximately 2,700 households; the elevation program has received over 6,000 applications. Like the RREM waitlist, the oversubscription to the HMGP elevation program demonstrates the substantial scope of homeowner demand for construction-related recovery assistance, as shown in Table 2-3.

Table 2-3: Summary of Unmet Need Based on Elevation Program

Program	Total Allocation	Projected Number of Households Assisted	Number of Households Requesting Assistance	Average Cost of Elevation	Need of Households Requesting Assistance (\$)	Excess / (Shortfall)
HMGP Elevation Program	\$100,000,000	2,700	6,510	\$65,000 ^a	\$423,150,000	(\$323,150,000) ^b

^a Costs of elevation vary significantly by property, depending on such factors as the size of the home to be elevated and the footprint of the home. A \$65,000 elevation cost estimate is used because it is an approximate average of what an elevation in New Jersey might be expected to cost.
^b This figure excludes program delivery costs.

Even allowing for the fact that there will be some overlap between RREM applicants and HMGP elevation program applicants, the unmet need is considerable.

Targeted buyouts of homes in repetitive flood loss areas are also a critical recovery priority for the State. The primary purpose of buyouts is to move people out of harm’s way; however, buyouts also convert properties to open space, allowing communities to build natural systems designed to absorb flood waters from future storms. Buyouts also may enable state and local governments to create or expand public recreation areas, wetlands, forests and wildlife management areas.

The State has initiated a program funded with \$100,000,000 of FEMA HMGP monies for buyouts, which is projected to purchase and demolish approximately 275–300 homes. As of January 3, 2014, the State had approved the purchase of 272 properties in Sayreville and South River. One hundred and twenty-two owners had accepted buyout offers and 22 have closed. Additionally, in December 2013, the State announced a partnership with the U.S. Department of Agriculture (USDA) on a \$9.4 million project to purchase 33 homes and additional vacant lots in the Bay Point section of Lawrence Township in Cumberland County. Funding for the project will be provided through the New Jersey Department of Environmental Protection’s (DEP) Green Acres Program and USDA’s Natural Resource Conservation Service.

Additional funding is needed to continue these ongoing buyout efforts. The State remains committed to securing at least \$300 million in recovery funding for buyouts for targeted repetitive flood loss areas to reduce the number of homes in these areas.

When unmet needs for buyouts is combined with unsatisfied demand for the RREM Program and the HMGP Elevation Program, the total unmet needs of homeowners

for reconstruction, elevation and mitigation exceed \$1,000,000,000 as shown in Table 2-4.

RREM Program Unmet Need	Elevation Program Unmet Need	Buyouts Unmet Need	Total Unmet Need
\$603,234,000	\$323,150,000	\$300,000,000 ^b	\$1,226,384,000

^a All figures in this chart exclude program delivery costs.
^b DEP continues to engage with communities across the State that have severe repetitive flood loss, or repetitive flood loss, areas and homeowners affected by Superstorm Sandy to gauge community and homeowner interest in voluntary buyouts. Currently, there are over 2,000 homes within severe repetitive flood loss areas and more than 13,000 homes in repetitive flood loss areas.

Moreover, the needs of homeowners are not limited to construction-related activities. Displaced homeowners are making both mortgage and rent payments on budgets still strained by other unanticipated storm-related expenses. As long as homeowners remain displaced, these storm-related expenses will persist, straining household budgets and reducing household disposable income that otherwise might support economic recovery and reconstruction.

The State has brought multiple funding sources to bear on this need. As described above, the Homeowner Resettlement Program was targeted to alleviate storm-related financial pressures. FEMA Individual Assistance has provided some relief. As of December 31, 2013, more than \$418 million in FEMA Individual Assistance funds had been disbursed to homeowners and renters in New Jersey, including almost \$361 million in Housing Assistance and more than \$56 million in Other Needs Assistance. Recently, the State also implemented the Working Families Living Expenses Voucher Program (also known as the Sandy Homeowners and Renters Assistance Program or SHRAP), which is funded with \$57 million of federal Social Services Block Grant (SSBG) and provides up to \$15,000 for mortgage and rent assistance, security deposits, and household goods and appliances. As of January 20, 2014, more than 2,700 homeowner and renter households (representing more than 6,300 individuals) have been assisted, and more than \$7.6 million has been disbursed.

Based on this unmet needs assessment for homeowners, the State continues to prioritize using CDBG-DR funds toward the following objectives:

- Assisting homeowners with the reconstruction or rehabilitation of their homes;
- Assisting homeowners in Sandy-impacted communities who are now required to elevate their “substantially damaged” homes to meet best available FEMA flood hazard data;
- Providing individual construction management and technical assistance to help homeowners navigate the building and reconstruction process; and

- Providing buyout assistance for homeowners residing in flood-prone areas where large scale buyouts would serve a public health and safety benefit, as well as an environmental benefit.

2.2.2 Needs of Renters

Superstorm Sandy significantly reduced the supply of rental housing stock. At the same time, displacement caused by the storm increased demand for rental housing. The increased demand, coupled with the storm-related depletion of rental stock, substantially increased rents in some areas in the months following the storm. Taken together, the loss of units, low vacancy rates and increased costs created particular hardships for LMI households seeking affordable rental units.

The State’s foremost unmet rental need is in the repair or replacement of storm-damaged rental housing stock, which will stabilize the rental market and create more affordable housing. The State funded a number of programs with first tranche CDBG-DR funds to address this unmet need. With those funds, the State expects to assist thousands of renter households through the repair or replacement of more than 5,000 affordable housing units. However, unmet needs for the repair or replacement of rental housing stock remains substantial, as summarized in Table 2-5.

Table 2-5: Summary of Allocations and Needs of Rental Programs Focused on Repair or Replacement of Rental Stock

Program	First Tranche CDBG-DR Allocation	Amount Committed/Obligated	Projected No. of Units Created (Projected No. of Affordable Housing Units)	Number of Projects in Program Pipeline	Funding Requests for Pipeline Projects ^a	Projected No. of Units Created by Pipeline Projects (Projected No. of Affordable Housing Units)
Fund for Restoration of Large Multi-Family Housing	\$179,520,000	\$156,714,275	2,720 (2,491)	58	\$364,786,651	5,985 (5,157)
Small Rental Repair Program (Landlord Rental Repair Program)	\$70,000,000	\$4,674,703	1,400 (1,400)	350	\$44,750,000	900 (900)
Pre-Development Loan Fund	\$10,000,000	\$8,500,000	1,300 (1,300)	10	\$5,000,000	700 (700)
Blight Reduction Pilot Program (Neighborhood Enhancement Program)	\$30,000,000	\$25,685,318	170 (170)	.. ^b	.. ^b	.. ^b
Sandy Special Needs Housing Fund	\$25,000,000	\$9,524,361	31 (31)	41	\$28,436,539	235 (235)
TOTALS	\$314,520,000	\$205,098,657	5,621 (5,392)	459	\$442,973,190	7,820 (6,992)

^a These figures exclude program delivery costs.
^b The Neighborhood Enhancement Program was a pilot program intended to rehabilitate abandoned, blighted or vacant properties as part of a more comprehensive neighborhood revitalization effort. NEP shows no pipeline because it was a pilot program.

In addition to providing CDBG-DR funding to repair or replace rental stock, the State has leveraged CDBG-DR and other funds to assist renters directly with storm-related needs. For example:

- The State committed first tranche CDBG-DR funds to the Landlord Incentive Program, which provides funding to landlords to make existing units available at affordable rates to low-to-moderate income renters. The program supplements rental payments to assist individual renters and increase the number of available affordable units.
- The State has targeted CDBG-DR funds to supplement housing vouchers to very low-income families displaced by Superstorm Sandy. The vouchers subsidized the rents of these families, making housing more affordable.
- Many storm-affected renters received funding for storm-related needs through FEMA Individual Assistance. More than \$418 million in FEMA Individual Assistance was approved for homeowners and renters in New Jersey.
- The Working Families Living Expenses Voucher Program (also known as SHRAP), funded with \$57 million of U.S. Department of Health & Human Services Social Services Block Grant monies, provides funding directly to individuals for rent.
- The State allocated first tranche CDBG-DR funds to the Sandy HomeBuyer Assistance Program that provided grants up to \$50,000 to assist low- and moderate-income individuals with home purchases. Among other things, this assistance allowed some renters to afford to become first-time homebuyers.

Public Housing

Superstorm Sandy also affected public housing. Nearly all public housing authorities (PHAs) in New Jersey reported roof damage from high winds and minor to moderate flooding. Additionally, many PHAs identified resilience and mitigation needs, such as a need for back-up generators, a need to relocate critical infrastructure and a need to elevate public housing units that were storm-damaged but repaired.

The State dedicated \$20,000,000 of its initial CDBG-DR allocation specifically to address damage to PHA units. As of December 2013, the State has received 6 applications totaling \$24,952,825 for rehabilitation and mitigation activities for PHAs. Of this amount \$7,200,000 has been committed. Based on initial assessment and underwriting, there is an inadequate amount of funding to satisfy unfunded demand. The unfunded pipeline requests of public housing authorities is captured within the Fund for Multi-Family Housing figures in Table 2-5.

Other Subsidized Housing

Other subsidized affordable multi-family housing projects were also affected by Superstorm Sandy, including projects funded under the Low Income Housing Tax Credit Program, bond-financed properties, housing financed primarily for older adults or persons with disabilities, and housing for Housing Choice Voucher (HCV) recipients located in flood plains. After the storm, it was reported that 2,188 federally-subsidized units in 192 multi-family properties were damaged and that 740 HCV recipient households were displaced.

Several assisted properties experienced ground floor water intrusion from the flooding and many experienced loss of power. At least one such property experienced damage to the units that exceeded the property's resources to repair; this property has submitted an application to the program under CDBG-DR first allocation funds. Twenty-six of 50 subsidized housing projects responded to a survey by New Jersey Housing and Mortgage Finance Agency (HMFA) to assess the needs for resiliency or hardening measures. Most of these housing projects cited the need for hurricane-proof windows, generators, and elevation of HVAC systems.

Based on the revised unmet needs assessment for renters, the State continues to prioritize:

- Rental programs to repair or replace damaged rental units, particularly those that serve LMI households and provide affordable housing; and
- Rental programs that address the unique circumstances of New Jersey's special needs population.

2.2.3 Needs of Special Needs Populations

Individuals with special needs oftentimes may be vulnerable as a result of natural disasters, due to disrupted support networks, accessibility issues or increases in cost of living. Special needs populations displaced by Superstorm Sandy include the elderly as well as adults, children, and youth who are homeless or at risk of homelessness, who have intellectual or developmental disabilities, who have physical disabilities or who have behavioral health needs.

To assist households and individuals having special needs, the State used \$25,000,000 in first tranche CDBG-DR funds to create the Sandy Special Needs Housing Fund. This program provides funding to experienced for-profit and nonprofit developers to construct quality, permanent affordable rental housing throughout New Jersey.

As shown in Table 2-5 above, demand for the program has outstripped available funds. As of December 2013, the State has made award commitments of over

\$9,500,000 under this program, and currently is reviewing a pipeline of over \$28,000,000 in requests, which exceeds the program's allocation. Many of the housing units being developed under the Sandy Special Needs Housing Fund restore the availability of units in Sandy-impacted communities, and as an ancillary effect, contribute to the Olmstead settlement requirements related to providing services and housing for persons moving out of institutionalized settings.

It is anticipated that applications to this program will continue to be submitted. The New Jersey Division of Developmental Disabilities projects the need for 1,102 beds by June 2015. Additionally, the Division of Mental Health and Addiction Services needs to provide permanent supportive housing for consumers of mental health services.

2.2.4 Needs of Low- and Moderate-Income (LMI) Populations

As described in the Action Plan, Superstorm Sandy had a particularly devastating impact on the affected LMI population. In response, the State directed first tranche CDBG-DR funds to programs specifically targeted to assist LMI populations. The State initially reserved 70 percent of its first tranche allocation of RREM Program funding and prioritized 60 percent of its initial funding round of the Homeowner Resettlement Program funding for LMI households. The State's renter programs overwhelmingly benefit LMI households; the projected LMI benefit for most renter programs is at least 95 percent. As of December 31, 2013, it is estimated LMI persons, communities or businesses have been awarded more than 50 percent of first tranche CDBG-DR funds.

Nevertheless, the unmet needs of New Jersey's affected LMI households, businesses and communities remain substantial. The State will continue to prioritize the use of CDBG-DR funds to address the needs of LMI populations.

2.3 Economic Development

2.3.1 Small Business Recovery and Revitalization

Superstorm Sandy affected thousands of businesses across New Jersey and across all business sectors. The storm caused significant physical damage as well as short-term and long-term business operations losses. Many of the businesses in hardest-hit communities fall within the leisure and hospitality industry or depend on tourism revenues for sustainability.

Following the disaster, access to capital for rebuilding and to offset business operations shortfalls presented the most critical unmet need with respect to economic development and revitalization. A number of recovery resources were directed toward addressing that need. Private insurance is one of the most critical

sources of funding for business recovery. SBA loans were distributed to eligible, affected New Jersey businesses, though that federal program was not without challenges. As of September 2013, more than \$46 million in SBA loans had been disbursed to almost 900 New Jersey businesses. Other private funding sources, including microloans offered through Community Development Financial Institutions (CDFIs), provided capital to recovering businesses.

To augment assistance directly supporting economic development and revitalization, the State implemented two recovery programs funded by CDBG-DR monies and administered by the New Jersey Economic Development Authority (EDA). The Stronger NJ Business Grant Program provides grants of up to \$50,000 to affected businesses for working capital and construction needs. The Stronger NJ Business Loan program provides loans of up to \$5 million to allow businesses to rebuild and expand, which in turn creates jobs for recovering New Jersey households. The demand for these programs is summarized in Table 2-6; it shows that New Jersey small businesses still have significant unmet Sandy-related needs.

Table 2-6: Summary of CDBG-DR Programs Directly Assisting Affected Businesses^a

Program	First Tranche CDBG-DR Allocation	Number of Applications	Amount Requested	Amount Obligated	Amount Disbursed	Excess / (Shortfall)
Stronger NJ Business Grants	\$100,000,000	3,354	\$167,700,000	\$9,794,793	\$7,248,537	(\$67,700,000) ^b
Stronger NJ Business Loans ^c	\$100,000,000	414	\$96,482,540	\$11,264,000	\$0	\$3,517,460 ^c

^a Data as of December 31, 2013.
^b This shortfall, which excludes program delivery costs, reflects amounts requested by 1,456 applicants who submitted applications as well as more than 1,850 applicants who opened applications but have yet to submit them. While EDA is no longer allowing new applications to be opened, EDA is working with those applicants who opened an application during the application period to bring those applications to completion. Because some applicants may elect not to complete their applications, this figure may overstate the grants program shortfall.
^c Because a number of the 414 applications did not include a sufficiently concrete funding request, the Amount Requested column underestimates demand for the Stronger NJ Business Loans Program. While the Excess/(Shortfall) column shows a \$3.5 million excess, the program actually has a significant shortfall.

At the same time, the State coordinated direct assistance for impacted employees. Approximately \$5,000,000 in Disaster Unemployment Assistance was paid to affected New Jerseyans. The State has leveraged more than \$15 million in federal National Emergency Grant funds to provide temporary employment related to disaster response and recovery efforts. The State also created talent networks to connect unemployed individuals with employers. The federal Sandy Task Force cited these recovery networks as a best practice in disaster recovery.

To further support economic recovery and revitalization, the State implemented the Neighborhood and Community Revitalization (NCR) program, funded with \$75 million of first tranche CDBG-DR monies. The State committed \$10 million for municipalities to support streetscape projects such as lighting and façade replacement in business districts, and an additional \$2.5 million for CDFIs to

support ongoing micro-lending efforts. The lion's share of NCR program funding has been allocated to support larger economic revitalization projects. Economic revitalization projects have been submitted by affected communities across the State. Demand for the State's NCR program is summarized in Table 2-7.

Program	First Tranche CDBG-DR Allocation	Number of Applications Submitted	Amount Requested	Amount Obligated	Amount Disbursed	Excess / (Shortfall)
Neighborhood and Community Revitalization*	\$75,000,000	93	\$231,561,926	\$7,500,000	\$0	(\$156,561,926)

**Data as of December 31, 2013. The shortfall reflected in the Table excludes program delivery costs.*

Table 2-7 shows a significant unmet demand for NCR program funding. The funding for CDFIs has been fully committed. The \$10 million initiative supporting streetscape projects and similar improvements currently has received over \$17 million in requests. The substantial balance in demand reflects the fact that the NCR program initiative focuses on larger economic revitalization projects.

2.3.2 Tourism

Tourism is the third largest industry in New Jersey, and is critical to the State, to municipalities with budgets that depend on tourism revenues to provide essential services, to small business owners with businesses in, or dependent on, the hospitality and leisure industry, and to employees of those businesses. As detailed in the Action Plan, the storm created a misperception that tourism assets throughout New Jersey had been destroyed by Superstorm Sandy, even in comparatively less-affected communities.

To combat that misperception, the State sought a waiver from HUD to use CDBG-DR funds to support a tourism marketing campaign. HUD granted the waiver request, and the State allocated \$25 million of first tranche CDBG-DR funds to create New Jersey's "Stronger than the Storm" campaign. The campaign included: outreach and community events; local, regional and national advertising; and marketing tools and techniques. This campaign began in May 2013, immediately after HUD approved New Jersey's CDBG-DR Action Plan when the State could begin drawing down first tranche CDBG-DR funds. The majority of the campaign occurred between Memorial Day and Labor Day, driven largely by when the State could access the CDBG-DR funds to support tourism; the State also held some fall events to support tourism at that time.

The "Stronger than the Storm" campaign incorporated advertising across different forms of media to reach New Jersey's target tourism market in a variety of ways. A television advertising effort introduced New Jersey's "Stronger than the Storm"

campaign to key markets such as New Jersey, New York, Philadelphia, other areas on the Eastern Seaboard and eastern Canada. Billboard advertising in top commuter locations around New York City supported the advertising campaign. Digital advertising appeared on sites popular with target audiences. Radio spots were created and aired throughout New Jersey and surrounding locales. A website designed around tourism and recovery was launched; it received over 390,000 visits and attracted 105,000 online fans. Social media was utilized and yielded 98,057 “likes” on Facebook and 6,616 followers on Twitter and 217 million Twitter impressions.

Community events across the Jersey Shore were organized and held to attract tourists and media coverage that reinforced the message that the Jersey Shore was open for business. In total, 43 events were held in shore communities that were attended by over 334,000 people, with 16,320 pieces of collateral materials distributed. Beginning with Memorial Day Weekend launch events, the campaign generated 1,746 total media placements and 1.25 billion total media impressions.

Following the most devastating natural disaster in New Jersey’s history, preliminary data on tourism metrics suggest that New Jersey’s 2013 summer season largely exceeded expectations, though some of the most-impacted communities saw a significant reduction in tourism revenues. It will take time for more comprehensive data to be collected and analyzed to paint a complete picture of the 2013 tourism season. However, preliminary publicly available and third-party data available at this time – including hotel tax receipt data, hospitality employment statistics, hotel occupancy rates, and beach pass sales – show the following:

Table 2-8: Preliminary 2013 Tourism Metrics

	BEACH PASS SALES (as of Labor Day 2013)	HOTEL OCCUPANCY (June – August)	HOTEL REVENUE PER AVAILABLE ROOM (June – August)	HOTEL TAX RECEIPTS (June – August)	HOSPITALITY EMPLOYMENT (in thousands)
2009	\$20,963,881	60.8%	75.26	\$11,787,778	165.8
2010	\$22,593,957	64.5%	81.36	\$12,742,891	166.8
2011	\$23,569,642	65.3%	81.39	\$12,967,055	166.4
2012	\$24,852,653	68.0%	85.72	\$14,236,708	174.5
2013	\$22,309,375	67.3%	84.55	\$13,673,292	180.9
Source	Municipal administrators, clerks and mayors	Smith Travel Research Analytics	Smith Travel Research Analytics	State of New Jersey, Department of Treasury, Division of Taxation	Total leisure and hospitality employment for Atlantic City, Ocean City and Edison metropolitan areas in August of each year. Retrieved from the Bureau of Labor Statistics

In nearly all cases the summer 2013 tourism season, as measured by these preliminary statistics, outperformed the summer seasons for 2009 through 2011, and only slightly trails New Jersey’s record-breaking tourism year in 2012. This occurred despite that June 2013 was the wettest June in New Jersey’s history.

Importantly, these are cumulative figures spread across all communities; many hardest hit areas saw significant declines in 2013 tourism revenues.

The "Stronger than the Storm" campaign made a significant difference for tourism across the State, bringing revenues into recovering communities and protecting most hospitality and leisure jobs threatened by the impact of the storm. However, the State's local and business partners, especially those in New Jersey's shore communities, have emphasized the importance of additional advertising in 2014 in order to fully recover from the storm, revitalize damaged communities, and prevent any backslide from the recovery gains made by tourism-recovery investments in 2013. In particular, hardest hit communities that could not take full advantage of the 2013 tourism season because of the damage caused by the storm need a strong 2014 tourism season to support their ongoing recovery efforts.

With the breadth of housing needs and HUD's second tranche focus on infrastructure projects, funding in this tranche to support economic initiatives is extremely limited. Support for the tourism industry in 2014 presents the State's most immediate unmet business need. The State will continue to evaluate the unmet capital needs of businesses and also look to prioritize large revitalization projects in impacted communities to create jobs and expand and diversify industry in impacted areas.

2.4 Infrastructure

Superstorm Sandy significantly affected New Jersey's infrastructure. The combination of storm surge, wave action, and high winds damaged or destroyed much of New Jersey's existing coastal risk reduction infrastructure. Breach of New Jersey's dune systems and other extensive flooding in non-coastal areas resulted in significant damage to homes, businesses, and critical infrastructure throughout the State.

Sandy highlighted New Jersey's vulnerability to coastal and other flooding and revealed how various infrastructure systems in the State are interdependent. New Jersey's energy infrastructure was significantly impaired with end users experiencing prolonged outages, despite best efforts to restore systems as soon as possible. Flooding of substations and other electric distribution components brought many operations to a standstill and caused an immediate threat to public health and safety. Damage to key facility components as well as electrical outages rendered New Jersey's petroleum production and delivery systems unusable, resulting in fuel availability issues throughout the State.

Widespread energy failures triggered damages across a number of other infrastructure sectors. As a result of energy failure, water and wastewater operations were significantly disrupted when those facilities were unable to operate

pumping stations and other equipment. Failure of these systems compromised the quality of the State's water supply and, in some cases, resulted in the improper discharge of raw sewage into local waterways.

Flooding and power loss caused significant damage to New Jersey's transportation and public transit infrastructure. Local and state roadways experienced significant damage from flooding. Flood waters inundated critical public transit facilities, interrupting commuter service across the region. Sandy also caused extensive damage to other types of infrastructure including, schools, parks, and public and community buildings.

The State has collaborated with FEMA, the U.S. Army Corps of Engineers, U.S. Department of Transportation, U.S. Environmental Protection Agency, and other federal agencies to leverage available funding streams to allow for the repair of key infrastructure and public building assets and also to pursue significant resilience initiatives. Section 3.5 summarizes the State's holistic approach to long-term infrastructure recovery.

Significant needs remain unmet in all infrastructure sectors. Over the last several months, the State continued to analyze and update its unmet needs assessment across infrastructure sectors. Specifically, New Jersey's agencies have conducted extensive damage assessments of infrastructure facilities and equipment throughout the State. The State has also taken steps to improve New Jersey's resiliency for future severe weather events. To that end, New Jersey has partnered with several federal agencies to assess and identify opportunities to rebuild more resilient infrastructure. The State has also engaged six universities to evaluate repetitive loss areas and develop innovative flood risk reduction strategies. The estimated cost of these resiliency measures has been factored into the unmet needs assessment.

It should be noted that the State's infrastructure unmet needs assessment is based on current best available data. It is anticipated that latent damage caused by Sandy may continue to arise and that the total damage from saltwater corrosion and other impacts may not be known for some time, which may alter the State's unmet needs. In addition, New Jersey's overall unmet infrastructure need may increase as the State continues to assess and identify opportunities for infrastructure resiliency.



Figure 2-1: Inundation Map, Atlantic Coast, New Jersey
Source: DEP



Figure 2-2: Inundation Map, Northern New Jersey
Source: DEP

2.4.1 Flood Hazard Risk Reduction & Resiliency Needs

Superstorm Sandy highlighted New Jersey's vulnerability to coastal and other flooding. From Bergen County to the tip of Cape May, Sandy's storm surge caused extensive flooding. All along New Jersey's 126-mile Atlantic coast, the combination of storm surge, wave action, and high winds overcame and eroded engineered beach and dune systems. According to the National Weather Service, Sandy produced record wave heights of more than 30 feet near Sandy Hook, resulting in a storm surge 8.57 feet above sea level. Significant inundation also occurred in densely populated urban areas as well as non-coastal communities in many of New Jersey's floodplains.

When Sandy hit, large sections of the New Jersey coast were outfitted with beach and dune systems built by the U.S. Army Corps of Engineers (Army Corps) in partnership with the State and local governments. However, large segments of New Jersey, including densely populated areas along the Hudson River, did not have risk reduction measures in place at the time of the storm and experienced significant flood inundation. Those areas which had been the beneficiaries of the Army Corps' coastal risk reduction projects, including sand dunes, berms, and engineered beaches, suffered significantly less damage than those without similar risk reduction infrastructure. Seaside Heights, for example, experienced "catastrophic damage to infrastructure and property as a result of having no dune system and an approximate berm width of 250 feet," according to the findings of The Richard Stockton College of NJ Coastal Research Center's (CRC) Beach-Dune Performance Assessment following Superstorm Sandy. By contrast, the CRC found that Cape May County's "[w]ide beaches with in-depth dune protection provided all the storm-stopping power needed to prevent wave damage and the flooding of oceanfront streets with sand."

Although New Jersey's existing coastal risk reduction infrastructure effectively protected some communities, it was also significantly damaged by Sandy's record storm surge. Dunes and other risk reduction measures that cushioned the storm surge's blow during Sandy were significantly eroded and in some cases washed away entirely. According to the CRC's Beach-Dune Performance Assessment of Atlantic County, "huge breakers [from Superstorm Sandy] essentially bulldozed the berm, beach and irregular dune system all along the . . . Atlantic shoreline."

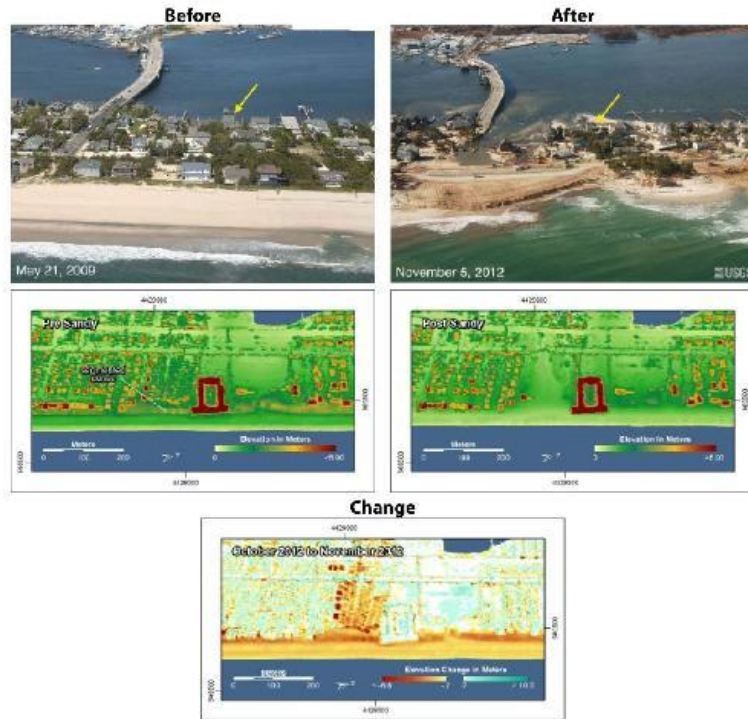


Figure 2-3: Damage in Mantoloking, NJ. These photographs and lidar images present a before and after snapshot of Sandy damage in Mantoloking, New Jersey. On top, pre- and post-storm photographs show a view looking west along the New Jersey shore. The photographs show that storm waves and surge cut across the barrier island, eroding a wide beach, destroying houses and roads, and depositing sand onto the island and into the back-bay. Below the photographs, airborne lidar images are used to characterize the nature, magnitude, and spatial variability of hurricane-induced coastal changes.
 Source: U.S. Geological Survey (USGS)



Figure 2-4: New Jersey Easements Map
 Source: DEP

To restore the beaches and coastal infrastructure damaged by Sandy, the State has taken several steps to pave the way for the Army Corps to begin construction of previously designed and congressionally authorized projects on an accelerated schedule. Many beaches and coastal areas of the State are privately owned. Prior to beginning construction, the Army Corps requires that the State acquire the necessary property rights, or easements, to allow for the construction of coastal risk reduction measures. The State has worked hand-in-hand with community leaders to encourage homeowners to voluntarily provide easements to allow projects to be constructed to benefit their neighbors and larger communities. As of January 2014, the State continues to seek voluntary easements from approximately 1,000 properties for upcoming projects. An Executive Order by Governor Christie directed the State's Attorney General to take legal action to acquire the necessary easements

to build dunes and construct engineered beaches. The State also created the Office of Flood Hazard Risk Reduction Measures to support these efforts. In collaboration with the State, the Army Corps has already undertaken construction of certain dunes and engineered beaches. The Army Corps is expected to continue to break ground on additional authorized and congressionally approved projects throughout the remainder of 2014 and into February 2015, but significant areas of the State remain vulnerable.

The State has identified substantial unmet needs in connection with the Army Corps repair and restoration of engineered beaches, dunes, and other existing risk-reduction measures in 14 project areas. The Army Corps has identified over \$1.6 billion in total funding towards flood hazard/coastline projects, approximately \$1.2 billion of which will be federally funded. The State's local match obligation of these Sandy-related Army Corps projects is \$369,450,000. HUD Federal Register Notice FR-5696-N-06 provides that the use of CDBG-DR funds to satisfy Army Corps local match obligation is limited to \$250,000 per project. Based on this restriction, the CDBG-DR-eligible portion of the State's local match obligation is \$2,250,000. In addition, local communities have identified more than 350 flood risk reduction and resiliency projects – including the installation of pump stations, the construction of new flood walls, and other system improvements – at an estimated implementation cost of \$4,573,207,003. \$46,854,315 in project worksheets¹ have been submitted to the FEMA Public Assistance (FEMA PA) program for flood infrastructure repair, of which \$34,182,188 has been deemed eligible for federal funding. Therefore, excluding the federal share, New Jersey's current estimate of its unmet flood risk reduction and resiliency needs totals approximately \$4,955,329,131.

2.4.2 Utility Infrastructure Needs

2.4.2.1 Energy Infrastructure

Superstorm Sandy caused extensive damage to New Jersey's energy infrastructure, disrupting delivery of electricity, petroleum, and natural gas to consumers across the State. Seventy-one percent of New Jersey's electrical distribution systems were impacted by Sandy. Flooding and high winds damaged high-voltage lines, substations, and distribution components throughout the State, leaving 2.8 million electric utility customers without power. In the aftermath of Superstorm Sandy, 100 transmission lines were out of service and over 4,000 transformers were damaged or flooded and had to be replaced.

¹ Data are as of December 31, 2013 and include the insurance-reduced amount of \$107,450.

At least one-third of New Jersey residents lacked power for at least six days after the storm. Schools, small businesses, and other commercial enterprises did not have power restored, in some cases for more than a week. Failure of the electric grid had

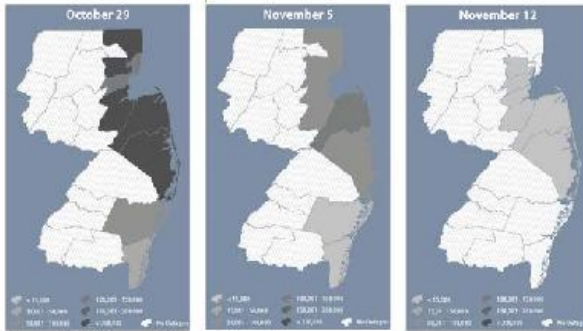


Figure 2-5: Power Outage Timeline (October 29, 2012 – November 12, 2012)
 Source: State of New Jersey

a significant impact on the region's economy. Manufacturers ceased operations and research facilities were shut down, many of which lost vital research.

New Jersey's critical energy infrastructure and assets experienced significant disruption in service, which brought everyday operations to a standstill and had significant, and in some cases life-threatening, community impacts.

Hospitals, nursing homes, long-term care facilities, domestic violence shelters, foster

homes, mental health facilities, and other critical social service providers throughout the State were forced to contemplate evacuation in light of prolonged power outages. Low-lying facilities in flood hazard areas, such as wastewater treatment plants, could not operate pumping stations without power, causing direct and significant long-term damage to facilities. Police stations, fire stations, 9-1-1 call centers, and other buildings were also severely hindered in their efforts to provide emergency services.

Even those critical infrastructure and assets reliant on diesel generators for back-up power experienced electric reliability issues, due to limitations on the availability of liquid fuel. Petroleum production, transport, distribution, and retail sales were also significantly impacted. In many cases, flooding and wind damage to key facility components, coupled with electrical outages, rendered petroleum production and delivery systems unusable, by disabling refineries, terminals, pipeline operations, and gas stations needed to deliver petroleum products to end users. Over 70 percent of gas stations in northern New Jersey were unable to operate for as much as a full week after the storm. As one of the largest petroleum product hubs in the northeast, damage and loss of power to New Jersey's petroleum infrastructure – including the Colonial Pipeline – caused interruption to fuel distribution across the region, including to New York City and Long Island.

Immediately following the storm, the State and its utilities took steps to restore the State's energy services. The State mobilized over 17,000 crew workers, the largest mutual aid response to a hurricane in history, to restore electrical services. In addition, natural gas service was restored to all customers who could safely accept

it. The State has taken action to address supply- and retail-side liquid fuel interruptions in preparation for future hazards or events, using FEMA HMGP funds. New Jersey's Retail Fuel Station Energy Resiliency Program targets retail fuel stations within one-quarter of a mile of identified evacuation routes in the State and incentivizes the permanent installation of a back-up electric generator or "quick connect" capability. In addition, the State is partnering with the U.S. Department of Homeland Security to explore opportunities to increase the resiliency of the State's petroleum storage, distribution and supply systems.

New Jersey has also taken steps to fully assess the impact to the State's energy infrastructure and develop long-term recovery plans focused on increased energy resilience. While complete repair and restoration of service is essential, it is also critical that New Jersey's energy infrastructure become more able to withstand the impacts of future severe weather events. To that end, the State partnered with the U.S. Department of Energy (USDOE), the USDOE's National Renewable Energy Laboratory (NREL), and FEMA to study opportunities to expand energy resilience for the State's critical infrastructure and assets. As part of the State's partnership, NREL conducted a comprehensive analysis of energy needs of critical facilities in municipalities and counties and identified opportunities for communities to build energy resilience by pursuing innovative – but cost-effective – energy solutions. In some cases, NREL's analysis identified cost-saving opportunities, including retrofitting existing solar panels on public buildings to "island off" from the larger electric grid. The State has increased funding to the New Jersey Clean Energy Program, to provide increased rebates to projects that are rebuilding with clean energy and Energy Star projects to reduce grid demand in affected areas. In addition, the State has undertaken a cross-agency initiative to enhance the State's mapping capabilities to assist the State in identifying cost-effective candidates for distributed generation. The State also partnered with President Obama's Hurricane Sandy Rebuilding Task Force, the USDOE, and Sandia National Laboratories to study energy resilience through expanded use of micro-grid networks to protect critical facilities in urban centers and transportation networks. New Vegetative Management Pilot Programs are being explored to work to proactively remove dead or dangerous trees from private property that may threaten the power grid, to prevent power line disruption in the future.

Despite widespread failure of the electric distribution system, there were several entities throughout New Jersey in storm impacted areas that maintained full power; even in the face of prolonged and diffuse failures of the larger electric grid. These "islands of power" had distributed generation units, which allowed these facilities to operate as micro-grids while the distribution grid was down. For example, Princeton University's combined heat and power (CHP) micro-grid operated for a week when the larger grid failed, saving the University millions in documented avoided loss in

hundreds of irreplaceable research projects. Similarly, the College of New Jersey's CHP micro-grid provided heat, power, hot food and hot showers to 2,000 mutual aid workers from other states that helped to restore power after the storm. Several medical facilities were also able to maintain power through CHP micro-grids, becoming larger shelters as well as accepting patients from other facilities. Further, as the President's Hurricane Sandy Rebuilding Task Force's Rebuilding Strategy noted, the Bergen County Utilities Authority (BCUA) was able to operate its sewage facilities both during and after the storm by relying primarily on a biogas-powered CHP system. The resilience of these facilities during and after the storm highlights opportunities to protect certain critical infrastructure by pursuing technologies that allow facilities to operate independently from the grid or by utilizing more cost-effective, energy efficient and cleaner resilient power options. The State has implemented resiliency programs to increase awareness of distributed generation units, such as CHP capabilities, to provide emergency power at times when generators fail due to flooding or fuel supply issues.

The costs of building a more resilient energy infrastructure will be substantial. Publicly regulated utilities in New Jersey have identified a need of \$945,919,000 to repair damage to utility infrastructure. These utilities have also estimated costs of \$4,038,500,000 in projects to prevent future storm damage to generation, transmission and fuel delivery infrastructure. Additionally, \$301,838,003 in project worksheets have been submitted to the FEMA Public Assistance (FEMA PA) program for energy infrastructure and emergency generator projects, of which \$10,891,643 has been deemed eligible for federal funding. There has also been an identified need of \$332,169,227 in Hazard Mitigation Grant Program funding for energy infrastructure. Therefore, excluding the federal share, New Jersey's current estimate of its unmet energy infrastructure needs totals approximately \$5,607,534,587.

Seventy-seven percent of the federal funding to these projects has gone to eight of the ten municipal Independently Owned Utilities in the State that are not regulated by the BPU (see Table 2-9). Butler Boro, Lavallette, Madison, Milltown, Park Ridge, Seaside Heights, South River and Sussex Rural Electric Cooperative have eligible projects worth \$9,327,676, receiving \$8,396,929 in FEMA assistance, with the utilities providing matching funds of \$930,747. The remaining two independent municipalities, Pemberton and Vineland Municipal Electric Utility have not applied for any FEMA assistance funds for energy infrastructure, although these utilities did apply for FEMA Emergency Protective Measure funds.

Location	FEMA Funds Paid to Date	Percentage of Federal Money
Butler Boro	\$543,058.82	4.99%
Lavallette	\$2,399,624.38	22.04%
Madison	\$448,807.28	4.12%
Milltown	\$144,860.51	1.33%
Park Ridge	\$210,215.62	1.93%
Seaside Heights	\$3,393,297.05	31.16%
South River	\$216,418.79	1.99%
Sussex Rural Electric Cooperative	\$1,040,646.68	9.56%
Remaining State Energy Projects	\$2,492,193.81	22.89%
Total	\$10,889,122.94	

Source: FEMA Project Worksheets

The State is proposing to allocate a portion of the second CDBG-DR funding allocation to a New Jersey energy resilience bank that will fund projects that will help prevent a reoccurrence of the energy disruptions and build energy resilience. Projects may include the increased deployment of micro grids, distributed generation, smart grid technologies, and energy storage. The bank can also fund site acquisition and preparation and other aspects of development to support the deployment of distributed generation or other energy technologies.

2.4.2.2 Water & Wastewater Infrastructure

New Jersey's drinking water and wastewater operations were significantly compromised as a result of Superstorm Sandy, resulting in \$2.6 billion in estimated needs (including emergency repair, recovery, mitigation and resiliency). A variety of sources confirm the significant unmet needs that New Jersey's environmental infrastructure faces in the long-term recovery process. Following Superstorm Sandy, New Jersey's Environmental Infrastructure Trust collected information from over 380 water and wastewater utilities, on their total needs, including resiliency costs. Through this process, water and wastewater utilities and municipalities identified \$636 million in damages and resilience projects that will cost an additional estimated \$1.6 billion. Separately, FEMA Project Worksheets (FEMA PW) data provides a total of over \$167.5 million in damages.² In addition, Letters of Intent for State Revolving Funds (SRF) 2015 funding estimated nearly \$1.1 billion in funding needed for environmental infrastructure-related projects. While there is likely some overlap between these three data sources, at least \$2.6 billion in damages and resilience opportunities have been identified as unmet needs.

² This figure includes FEMA Category B data, so it may be greater than the actual infrastructure need.

Source of Total Damage Estimate	Estimate	Description of Source
Declaration of Needs Assessment (DONA) Survey – March 2013	\$2,237,822,127	Online survey conducted through the Environmental Infrastructure Trust website in March 2013 asking municipalities to estimate current repairs, additional repairs, and resiliency costs
Letters of Intent for SRF for 2015 Funding	\$1,086,142,688	Water and wastewater utilities and municipalities submitted letters of intent for funding through clean water and drinking water state revolving funds (SRF)
FEMA Project Worksheets Total	\$167,540,663	Total of applicants for projects eligible under 406 Public Assistance

At the height of the storm, 94 wastewater treatment systems in all 21 counties suffered failures or disruption, including reduction or complete loss of power; reduction or loss of treatment capacity; broken sewer mains; and other operational issues. Treatment facilities, pump stations, and sewer mains in several areas on the barrier islands sustained catastrophic surge and flood damage or, in some cases, complete destruction. Salt water inundation of pump stations destroyed electrical equipment, including pumps, motors, and electric controls. Damage also spread to municipal storm water systems, many of which were clogged with sand or other sediment.

Several regional wastewater facilities were either rendered inoperable following Sandy or operated with reduced capacity for an extended period of time. For example, the State's largest wastewater and biosolids processing facility, which directly or indirectly serves 25 percent of the State's population and processes approximately 15 percent of the biosolids produced in New York City, was inundated and rendered inoperable. This caused a cascading impact on over 100 other facilities across New York and New Jersey that were forced to locate alternative management sites. Damage to the State's wastewater infrastructure led to the improper discharge of more than three billion gallons of raw, untreated sewage into local bodies of water. Even facilities that were not directly impacted by Superstorm Sandy's storm surges or diffuse power outages were overburdened with increased processing demand, due to the large number of facilities that were forced to operate at reduced capacity.

The vast majority of New Jersey's community water supply systems were impacted: 427 of 604 community water systems experienced power loss during the event. As a result of these service interruptions, water quality was compromised. Boil water advisories were issued by 37 water systems, impacting 362,334 New Jersey residents. One month after Superstorm Sandy made landfall, seven drinking water systems were still subject to a boil water advisory, the last of which was not lifted until December 27, 2012. In the months following Sandy, many customers reported

water discoloration caused by an inability to sufficiently flush sitting water from pipes.

Over the last several months, the State has facilitated and assisted in the repair and recovery of water and wastewater systems by ensuring that broken pipes, sewer mains, and pump stations are repaired, key electrical components are replaced, sediment is removed from clogged storm water systems, and other needs are met. The State continues to help resolve issues, coordinate expedition of permits, and serve as a liaison, as needed, between these critical public facilities and federal funding sources. In addition to complete repair and restoration, increased resiliency and durability of the State’s water and wastewater systems is essential to help mitigate future risk. In an effort to build long-term resiliency, the State plans on taking steps to harden water and wastewater infrastructure by flood-proofing facilities, elevating key assets or buildings, building floodwalls, strategically placing berms, and taking other protective measures. In addition, because loss of power was a major instigator of damages to the water and wastewater sector, the State has also identified a range of potential energy resiliency projects to ensure uninterrupted power distribution to this critical infrastructure sector, discussed in detail elsewhere in this section.

The cost of rebuilding New Jersey’s water and wastewater infrastructure will be substantial. As of December 31, 2013, \$167.5 million in project worksheets have been submitted to the FEMA PA program for drinking water, wastewater, and storm water infrastructure projects, of which nearly \$123 million have been obligated with federal funds; the total remaining funding is about \$38 million. This includes projects for towns which have their own water utilities, such as Lavallette, Park Ridge, and South River. In addition, there are Sandy-related drinking water funds for New Jersey from EPA totaling \$38 million with a match requirement of more than \$7.6 million. Clean water funds for New Jersey from EPA totaling \$191 million carry a match requirement of more than \$38 million. Both the drinking water and clean water funds are available as low-interest loans, and not as grants.

Table 2-11: Grant and Match Requirements for Sandy SRF Funding

Source of Funding	Cap Grant	20% Match Requirement
Drinking Water	\$38,221,192	\$7,644,238
Clean Water	\$191,105,958	\$38,221,192

Source: DEP

2.4.3 Transportation Infrastructure Needs

Superstorm Sandy significantly affected New Jersey’s transportation and transit infrastructure, crippling mobility across the region. To protect life and mitigate the potential for damage, the State closed three quarters of the 173-mile long Garden State Parkway prior to the storm – an unprecedented safety precaution. New Jersey

Transit (NJ Transit) also instituted a system-wide shutdown of all services, including bus, rail, light rail, and ferry services.

Superstorm Sandy's strong storm surge and high winds wreaked havoc on New Jersey's roadways. A number of roads in shore communities were entirely washed out, as were the berms and seawalls that protected the roadways. For example, in Mantoloking Township, the Atlantic Ocean breached over 1,000 feet of State Route 35 in three locations. Highways, including parts of State Route 37 in Toms River Township, experienced severe erosion and scour.

Even roadways that did not flood experienced significant damage. In Jersey City and Point Pleasant, the arms of barrier gates were torn off due to excessive wind. Guiderrails and fences along roads throughout the State sustained damage from falling trees and other debris. Hardwired warning signs – intended to guide residents in times of disaster – were damaged and disabled by the storm's powerful winds. Traffic signals throughout the State were knocked down or otherwise rendered inoperable by power outages. Sandy also caused sinkholes throughout the State; on State Routes 35 and 36 alone, the storm created approximately eighty sinkholes.

The storm caused structural and other damage to many of New Jersey's bridges that will cost millions of dollars to repair. For example, the State Route 71 Shark River Bridge suffered flooding of electrical and mechanical bridge operations equipment. The State Route 37 Bridge suffered bearing damages. The State Route 72 Causeway Bridge experienced considerable erosion.

Immediately following Sandy, the State completed emergency repairs and implemented protective measures to ensure that primary roadways were passable. Among these initial efforts to restore the roadways to operational condition, the State removed trees and large debris – including cars, watercraft, and other structures – from public roads and rights-of-way; removed over 4,000 truckloads of sand; and replaced over 1,000 traffic signals.

In reconstructing the State's transportation infrastructure, the State aims to build back a more resilient infrastructure. For example, State Route 35's reconstruction will incorporate best practices in mitigation, including an improved drainage system, pump stations, and 24-inch thick pavement and sub-base materials. In addition, the State has undertaken the installation of more than four miles of steel sheeting to further protect Route 35. The State is also using advanced technologies in rebuilding, including radar, to detect voids under roadways. Other long-term projects are also underway, including the construction of a new bridge, among other improvements, to be built parallel to the State Route 72 Manahawkin Bay Causeway. The new bridge will provide the safety of a redundant route on or off Long Beach Island in the event a span needs to be closed.

The State has identified a number of additional projects to make transportation infrastructure less susceptible to future storm damage. Potential projects include reconstruction and replacement of critical roads and bridges, the construction of bridge abutment/pier scour counter measures at 130 crucial state-owned bridges, traffic signal hardening including emergency generator interface capability, drawbridge hardening and movement of electrical and mechanical systems to higher elevations, and the installation of emergency generators at maintenance yard facilities.

The storm also significantly impacted New Jersey's public transit systems. Commuter rail service was disrupted for months in what has been described by the President's Hurricane Sandy Rebuilding Task Force as "the worst disaster for public transit systems (e.g., bus, subway, commuter rail) in the nation's history." NJ Transit's rail network experienced substation flooding, track washouts, downed overhead catenary wires, and damage to signal and communications systems.

As the heaviest traveled portion of the Northeast Corridor, damage to New Jersey's transit systems had significant ripple effects across the region, impacting thousands of customers and doubling or tripling commuter travel time. NJ Transit quickly implemented emergency repairs to restore service. Significant restoration and repair of communication and signal systems, substations and catenary wires, and other key assets were necessary to restore rail service. Restoration and repair was also required on the Hudson-Bergen Light Rail and Newark City Subway systems. Prolonged and diffuse electrical outages also significantly hampered recovery. Despite the extraordinary effort and expenditures to repair damage and restore service, NJ Transit rail did not resume full operations until December 3, 2012, with some lines remaining on limited service for several months.

The State continues to explore ways to improve the resiliency of public transit systems to reduce the impact of future natural disasters. To that end, a number of resiliency projects have been identified. Potential resiliency projects for NJ Transit include, raising substations in flood prone areas; building new storage, service, and inspection facilities; improving operating efficiencies; and implementing various flood control strategies near Morgan Draw, Secaucus Junction and other facilities. In addition, in August 2013, the State announced a partnership with the USDOE and Sandia National Laboratories to study the potential implementation of "NJ TransitGrid" – a first-of-its kind transportation microgrid capable of providing highly reliable power in the event the larger electrical grid fails capable of supporting commuter transportation to and from New York City and ancillary facilities needed to operate rail services.

The cost of rebuilding a more resilient transportation and transit infrastructure will be substantial. Superstorm Sandy is estimated to have caused a total of \$810 million in damages to systems maintained by the New Jersey Department of Transportation, the New Jersey Turnpike Authority, NJ Transit, the South Jersey Transportation Authority, and county and municipal transportation agencies. Nearly 50 percent of that amount pertains to NJ Transit assets (Figure 2-6). An additional \$3,251,402,178 in resiliency projects is needed to ensure protection of roadways and transit systems from future events. These totals do not take into account latent system damages from saltwater intrusion which may arise in the future and may not factor in private insurance proceeds where data was not yet available.

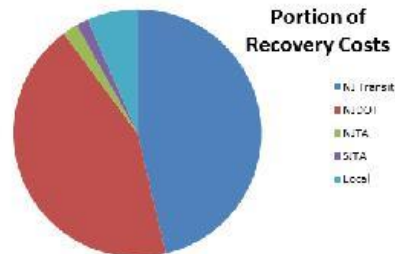


Figure 2-6: Portion of Recovery Costs by Agency
 Source: NJDOT, NJTA, NJ Transit

2.4.4 Community Facilities Infrastructure Needs

Superstorm Sandy significantly damaged many New Jersey community facilities including schools, parks, police and fire departments and other public buildings.

Schools

Flood waters and power outages forced at least 370 school districts to close for at least one week. Seventy-seven New Jersey schools suffered physical damage as a result of the storm, including flooding, roof and other structural damage, and window damage. The damage inflicted on schools by Superstorm Sandy is estimated at more than \$36 million, \$21 million of which was not covered by insurance or FEMA funds. In the aftermath of the storm, the New Jersey Department of Education coordinated alternative accommodations and transportation needs for more than 2,800 displaced students. Within three weeks of the storm, 99 percent of New Jersey schools were reopened. Damage to six New Jersey schools was so severe that they remained permanently closed for the remainder of the school year. On Long Beach Island, one Sandy-damaged school remains closed and is expected to reopen in March 2014.

State and Community Parks

Superstorm Sandy also caused substantial damage to New Jersey's State and community parks. Throughout impacted communities, State and local officials worked to repair and reopen community parks. In many cases, cleanup involved significant and costly debris removal. Statewide, New Jersey marinas, beaches, parks

and boardwalks suffered more than \$80 million in damage. As part of the disaster cleanup, the State conducted aerial surveillance of New Jersey beaches; assisted in the removal of 200 vessels from state waters; completed side scan sonar of 195,000 underwater acres; and cleared debris from 275 marinas. In addition, recreational beach water quality monitoring was performed at 175 ocean and 43 bay monitoring stations to ensure public safety. As a result of these efforts, nearly 100 percent of New Jersey beaches were open prior to Memorial Day Weekend. Moreover, the State spent considerable effort to restore public boardwalks despite severe damage or total destruction of many of New Jersey's iconic boardwalks. There is approximately \$23 million in projects remaining to be completed.

Public Health & Safety

Police departments across the State suffered damage. Local fire departments, which are predominantly volunteer-led in New Jersey, were crippled, sustaining an estimated \$237 million in damage. The loss of facilities as well as public safety and emergency vehicles caused increased response times for fire and medical services, further endangering local residents. Since the storm, the State has worked with local communities in repairing and rebuilding this critical infrastructure. While some facilities have been restored, more than \$56 million in damage remains, forcing some communities to rely on neighboring towns to share services.

In addition, the State has worked to protect New Jerseyans' health during Sandy recovery. For example, the State created the Hope and Healing program, which offers confidential mental health information and referrals from trained counselors. In addition, the New Jersey Department of Health launched a public awareness campaign – including radio, op-ed articles and flyers – encouraging people working on recovery efforts to protect their health by getting a tetanus booster and by wearing goggles, rubber gloves, boots and a respirator; using insect repellent to protect against West Nile Virus and other mosquito-borne diseases; and taking measures to minimize storm-related mosquito-breeding habitats. The Department also published a pamphlet that provides guidelines to residents on how to assess mold and hire contractors to remove mold, distributing more than 13,000 copies in English and Spanish, as well as providing free training classes to more than 800 participants.

Public & Community Buildings

Superstorm Sandy did more than \$231 million in estimated damage to many public and community buildings, which provide critical services to New Jersey residents including city/town halls, courthouses, libraries, post offices, correctional facilities, day care, family and social services centers and senior care facilities. As with public health and safety infrastructure, many of these facilities remain damaged. Complete

and immediate repair of these buildings is critical to New Jersey's recovery. The current unmet need exceeds \$136,000,000.

The cost to repair the damage to community facilities, as reflected in FEMA project worksheets is summarized in the Table 2-12. New Jersey's overall unmet infrastructure need for community facilities is \$236,548,191.

Table 2-12: Damage to Community Facilities Based on FEMA Data

Community Facilities	Damage Estimate	Eligible for FEMA Reimbursement	Unmet Needs
Schools	\$36,564,844	\$15,288,857	\$21,275,987
Parks and Recreational Facilities	\$80,797,209	\$57,729,094	\$23,068,115
Public Health Facilities	\$237,501,114	\$181,307,744	\$56,193,370
Public and Community Buildings	\$231,408,083	\$95,397,364	\$136,010,719
Total	\$586,271,250	\$349,723,060	\$236,548,191

Source: FEMA Project Worksheets

2.4.5 Debris Removal Infrastructure Needs

In the process of damaging homes, businesses, and infrastructure, Sandy's violent storm waters have had devastating and continuing impacts in the form of newly accumulated debris and sediment in waterways across the State, in confined disposal facilities and landfills that now have reduced long-term capacity. In allocating funding to CDBG-DR grantees, HUD did not consider the present and future unmet needs associated with debris and sediment management, but the already realized (and expected future) costs are substantial and will impact the State's ability to respond to recovery challenges by diverting already limited resources.

Sandy-related sediment can be found in approximately 160 of the State's over 200 coastal navigation channels. This sediment is a threat to navigation (commercial, recreational, commuting) and must be addressed as an important part of New Jersey's long-term recovery efforts. The New Jersey Department of Transportation's Office of Maritime Resources has identified potential dredging projects at an approximate cost of \$150,000,000.

New Jersey has already made substantial progress in dredging and debris removal, using side-scan sonar and other technologies to prioritize areas of need. The State is working actively with FEMA to dredge channels, but coastal lakes and other sediment-laden bodies of water will continue to present flooding and other challenges.

As of December 31, 2013, throughout the State, the damage estimates reflected in FEMA project worksheets was \$730,360,727 for debris removal and clearance/demolition of storm-related debris. The federal share of this damage is

\$504,954,463, which leaves the unmet need for debris removal for the State at over \$225 million.

2.4.6 Summary of Unmet Infrastructure Needs

To estimate the extent of New Jersey's unmet infrastructure needs, the State must use best available data to quantify the cost to repair damage to infrastructure caused by Superstorm Sandy as well as the cost to implement resilience measures to reduce risk to federal and state investment from future severe weather events. The State must then subtract costs that are paid by another funding source. Insurance proceeds have been subtracted from these estimates but in some instances are not yet known. Specifically, this assessment calculates: (a) the cost of repairing storm-induced damage minus the amount eligible for Federal Assistance (including Army Corps, EPA, Federal Highway Administration (FHWA), Federal Transit Administration (FTA), FEMA, and other federal agencies) plus local match; and (b) the cost of implementing identified hazard mitigation projects as reported through state agencies as of December 31, 2013. Based on this analysis, New Jersey currently has an estimated unmet infrastructure need of more than \$17.3 billion.

As illustrated in Table 2-13, \$3.6 billion is the estimated cost of repairs to critical infrastructure and public buildings, and approximately \$16.5 billion has been identified by state agencies for resilience projects.

Table 2-13: Summary of Infrastructure Needs

Infrastructure Sector	Estimated Damages	Mitigation and Resilience Opportunity Costs	Expenses Eligible for Federal or Other Reimbursement	Resulting Unmet Need
Flood Hazard ¹	\$46,854,315	\$6,177,032,189	\$1,268,557,374	\$4,955,329,131
Energy ²	\$787,257,003	\$4,831,256,727	\$10,979,143	\$5,607,534,587
Water/Wastewater ³	\$803,941,989	\$2,141,682,936	\$306,004,498	\$2,639,620,426
Transportation ⁴	\$810,175,282	\$3,251,402,178	\$353,263,699	\$3,708,313,761
Community Facilities (incl. Emergency Warning Systems) ⁵	\$514,252,632	\$72,018,619	\$349,723,060	\$236,548,191
Debris Removal and Dredging ⁶	\$730,360,727	-	\$504,954,463	\$225,406,264
Total	\$3,692,841,948	\$16,473,392,649	\$2,793,482,237	\$17,372,752,360

Sources:
¹ FEMA Project Worksheets; Army Corps of Engineers; NJOEM
² FEMA Projects Worksheets; NJ BPU; NJOEM
³ FEMA Project Worksheets; NJOEM; EITS DONA Survey; NJDEP
⁴ FEMA Project Worksheets; NJDOT; NJ Transit; NJTA; SITA; NJOEM
⁵ FEMA Project Worksheets; NJOEM
⁶ FEMA Project Worksheets; NJDOT

2.4.7 Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey is a bi-state agency that provides transportation, terminal and other facilities of commerce in the New York-New

Jersey Port District, including bridges, tunnels, airports, PATH and bus terminals. In Federal Register Notice FR-5696-N-06, HUD directed New Jersey to assist the Port Authority in “address[ing] resiliency and local cost share requirements for damage to . . . the Port Authority or demonstrate that such resiliency needs and local cost share has otherwise been met.”

Superstorm Sandy caused significant damage to Port Authority assets, including, but not limited to, extensive damage to the Port Authority Trans-Hudson (PATH), an interurban rapid transit system, which links Manhattan with neighboring New Jersey urban communities and suburban commuter railroads. The Port Authority has estimated total damages from Superstorm Sandy to exceed approximately \$2 billion, which does not include possible future latent damages. The Port Authority has also identified additional resiliency and mitigation projects. It is the State’s understanding that the Port Authority intends to satisfy its Sandy-related damage and resiliency costs through one or more of the following sources of funds: grant proceeds from the Federal Transit Administration and FEMA; proceeds from insurance; and available Port Authority capital funds, including through the issuance of its debt obligations.

At this time, the State anticipates that the Port Authority will meet its local share requirements, but the State will continue to assess and evaluate financial conditions at the agency. The State will also further consider the Port Authority’s unmet needs and cost share requirements if a third tranche of CDBG-DR funds is announced.

2.5 Community Development, Planning, and Other Needs

2.5.1 Zoning and Code Enforcement Needs

The devastation from Sandy left New Jersey’s communities in various stages of disrepair. To rebuild, communities must assess and manage a range of recovery activities including demolition, clearance, reconstruction and rehabilitation. The steps in this process, even in the ordinary course can be time consuming and costly. The number of homes and other buildings damaged by Sandy dramatically increased the demand for services performed by local code and zoning officials. Most property owners have now settled insurance claims and are beginning the process of reconstruction. In hard hit communities, the number of applications for zoning and building permits has put an enormous burden on municipal personnel.

With the first tranche of CDBG-DR funds, the State created a program designed to increase municipalities’ capacity to respond to increased demand for building code enforcement services and to enhance the New Jersey Department of Community Affairs’ (DCA’s) continuing education curriculum for code officials to include

training in flood hazard mitigation practices and other storm-related code issues. Immediately after Sandy, state inspectors were dispatched to supplement many local code enforcement offices in the nine most-impacted counties. The State also hired four full-time code officials and fifty part-time code officials to assist in that effort. Approximately twenty eight state inspectors will remain in at least 11 of those municipalities for the foreseeable future. The State also created a program to allow municipalities to hire additional staff or pay for additional staff hours to cover the increased need for zoning officials. Even with these investments, the need for code enforcement is expected to increase over time.

2.5.2 Local Public Services Needs

Demand for essential public services provided by local government entities increased substantially following the storm, as local budgets were strained by unanticipated storm-related costs and loss of revenue. Of the 193 unique individual first responder capabilities impacted, 69 fire departments, First Aid stations, EMS squad, police, and sheriff units have long-term rebuilding needs. Public schools which can serve as the backbone of a community were also affected. Of the 241 distinct public boards of education, school districts and/or charter schools initially eligible for FEMA funding post Sandy, 211 of these school systems had damage that required rebuilding funds.

With the first tranche of CDBG-DR funds, the State created a program that made financial assistance available to local government entities in those instances where FEMA Community Disaster Loans (CDLs) were either unavailable or insufficient to fund the continuation of eligible essential public services such as police protection, fire protection, health and welfare (including public works, garbage collection/disposal, and water/sewer), and education. Demand for this program has been considerable.

Many municipalities and local government agencies have experienced, and will continue to experience, difficulties in meeting the demands and costs for critical public services as a result of the impacts of Superstorm Sandy. Seventeen CDBG-DR grant awards have been provided to communities and/or boards of education to sustain or expand: public safety services such as fire and police; housing services; and public works such as trash collection. Funds were also provided to pay teacher salaries in school districts that found their student bodies swelling as students who would normally attend a school damaged in the storm were transferred to an undamaged school within the district. Analyses by DCA's Division of Local Government Services show that, particularly for hardest hit communities, continuation of this program is imperative to ensure that resources are available for essential public service needs that still exist after other federal and State resources are exhausted.

2.5.3 Planning Needs

Developing goals and objectives that promote sound revitalization and growth that is sustainable and resilient is essential to achieving long-term recovery. Planning for the future often demands a post-disaster evaluation of community vulnerabilities and an assessment of what must be rectified, both within and across municipal borders. The State has determined that there is still an unmet need for local and regional planning support to assess the issues and opportunities facing storm-damaged communities, and articulate priority actions that will improve public safety and stimulate economic recovery after Sandy. To accomplish that, the State dedicated first tranche CDBG-DR funds to the Post Sandy Planning Grant Assistance Program, which supplements the ongoing efforts of storm-impacted local and county governments to rebuild and revitalize. This program was specifically designed to augment and not conflict with other planning initiatives that local governments may be undertaking as a result of Superstorm Sandy.

Demand for the Post Sandy Planning Grant Assistance Program has been considerable, and continuing to support the planning needs of communities remains a priority for the State. Additionally, supporting statewide and regional coordinated planning-related initiatives remains a critical recovery need.

SECTION 3: METHOD OF DISTRIBUTION

Based on the revised unmet needs assessment, as well as input received from citizens, stakeholder groups, local government officials and other partners, the State prioritized second tranche CDBG-DR funding for the portfolio of recovery programs set forth in Table 3-1. In most cases, the State proposes to dedicate second tranche funds to programs currently approved by HUD, and for which demand has exceeded available funding. Integrating additional CDBG-DR funds into these established programs should be efficient and effective. However, the State also has prioritized new recovery initiatives, particularly for infrastructure. This is consistent with HUD Federal Register Notice FR-5696-N-06, which strongly encouraged the use of second tranche CDBG-DR funds to support infrastructure recovery initiatives.

Table 3-1: CDBG-DR Second Tranche Plan Programs

Category	Allocation Level		Program	Allocation Level	LMI Estimate
	Total Amount	Total Estimated LMI Amount			
Homeowner Assistance Programs	\$530,000,000	\$260,000,000	Reconstruction, Rehabilitation, Elevation & Mitigation	\$390,000,000	50%
			LMI Homeowners Rebuilding Program	\$40,000,000	100%
			Blue Acres Buyout Program	\$100,000,000	25%
Rental Housing and Renter Programs	\$245,000,000	\$230,000,000	Fund for Restoration of Multi-Family Housing	\$200,000,000	95%
			Neighborhood Enhancement Program	\$20,000,000	75%
			Sandy Special Needs Housing Fund	\$25,000,000	100%
Economic Development	\$5,000,000	\$750,000	Tourism Marketing Campaign	\$5,000,000	15%
Infrastructure Programs	\$500,000,000	\$205,000,000	Flood Hazard Risk Reduction Program	\$100,000,000	25%
			New Jersey Energy Resilience Bank	\$200,000,000	60%
			Non-Federal Cost Shares (Match)	\$200,000,000	30%
Support for Local Government Entities	\$100,000,000	\$18,500,000	Essential Public Services	\$85,000,000	15%
			Unsafe Structures Demolition Program	\$10,000,000	50%
			Zoning/Code Enforcement	\$5,000,000	15%
TOTAL	\$1,380,000,000	\$714,250,000	TOTAL FUNDED PROGRAMS	\$1,380,000,000	52%
Planning, Oversight, and Monitoring	\$83,000,000	N/A	Planning Grants	\$10,000,000	N/A
			Administration	\$73,000,000	N/A
TOTAL	\$1,463,000,000				

Overall, based on these estimates and the projected distribution of first tranche funds, per HUD requirements, at least 50 percent of the CDBG-DR funds allocated to New Jersey to support Sandy recovery will be targeted to LMI households, business or communities.

3.1 Housing Overview

Consistent with federal guidance, the State has allocated CDBG-DR funds to housing programs in a manner responsive to its unmet housing needs assessment. The State will support the repair or replacement of damaged owner-occupied and rental housing. The State also will dedicate funding for buyouts in targeted repetitive flood loss areas.

As with the first tranche of funding, the State will continue to prioritize the needs of LMI households in its homeowner and renter programs. Nearly 100 percent of CDBG-DR funding for the State's renter programs are expected to assist LMI households. The State also will dedicate additional funding specifically to support the development of affordable special needs housing.

The State's housing recovery efforts also offer an opportunity to continue to address sustainability and resiliency by incorporating modern building standards, green building technology and energy efficiency into the reconstruction process, where feasible. As examples:

- Reconstruction Standard: Where applicable, replacement and new construction will meet the 2009 Residential International Code and green building standards by requiring compliance with ENERGY STAR™.
- Rehabilitation Standard: Where applicable, programs will adhere to the State of New Jersey's Uniform Construction Code, the Single Family Housing Rehabilitation Standard, and the HUD Office of Community Planning and Development's (CPD) Green Building Retrofit checklist.

The State remains committed to affirmatively furthering fair housing through its housing programs, following all applicable federal and state statutes and regulations, and vigorously enforcing fair housing laws. The State will continue to ensure that housing assistance is prioritized and allocated based on financial hardship and disaster-related need, without regard to race or ethnicity. The State likewise will continue to adhere to additional standards and requirements for housing programs identified in its Action Plan.

3.2 Homeowner Assistance Programs

To support the recovery of homeowners, the State will use second tranche CDBG-DR monies (i) to increase funding for the RREM Program, (ii) to provide funding to support additional LMI households with rebuilding costs, and (iii) for buyouts in targeted repetitive flood loss areas.

3.2.1 Homeowner Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program

The RREM Program provides grant awards to eligible primary homeowners for activities necessary to repair storm-damaged homes, including rehabilitation, reconstruction, elevation and mitigation. The program allows for reimbursement for eligible expenses to the extent permitted by HUD (as noted in HUD CPD Notice, July 2013). The State has allocated \$710,000,000 in first tranche CDBG-DR funds to the RREM Program, which is projected to benefit approximately 5,124 homeowners. As of December 31, 2013, 246 reimbursement checks have been issued, and 902 grant agreements have been signed.

The State proposes to allocate \$390,000,000 in second tranche CDBG-DR funds to further support the RREM Program. Given the existing waitlist, the State will continue to prioritize LMI households as well as homeowners whose homes were substantially damaged. The State will closely monitor the award amounts and impact on overall LMI benefit, with a goal of allocating up to approximately 50 percent of this tranche of funding for LMI households.

The State incorporates the description of the RREM Program as well as all eligibility and other criteria set forth in the Action Plan, as amended, except to the extent different from the descriptions below.

Allocation for Activity: \$390,000,000

Maximum Award: \$150,000, not inclusive of design and other soft costs, as applicable. The RREM Program may also provide temporary relocation assistance to homeowners who must vacate their home during reconstruction or who must move out because of the nature of their rehabilitation.

Eligible Applicants and Eligibility Criteria:

- Homeowner must have a household adjusted gross annual income of \$250,000 or less
- Homeowner must have been registered with FEMA
- Home must have been owner-occupied at the time of the storm
- Home must have served as a primary residence

- Home must have been in one of the nine most-impacted and distressed counties
- The RREM program will follow the reconstruction and rehabilitation standards noted in the Action Plan.

Eligibility Criteria: Eligibility and prioritization criteria described in the Action Plan continue to apply.

Criteria for Selection: The State will prioritize LMI households and homeowners whose homes were substantially damaged, as long as the need exists.

Eligibility for CDBG-DR: Section 105(a)(4); 105(a)(8); 105(a)(11)

National Objective: Low and moderate income housing; alleviate slums and blight; urgent need.

3.2.2 LMI Homeowners Rebuilding Program

DCA undertook extensive outreach in connection with its homeowner programs in areas impacted by Superstorm Sandy, emphasizing outreach to affected LMI communities. Among other things, during the more than two-month application period for the RREM program, LMI neighborhoods were canvassed with flyers and door hangers in many Sandy-impacted towns, including Atlantic City, Carteret, Jersey City, Keansburg, Little Egg Harbor Township, Long Branch, Union Beach and Wildwood. DCA also advertised the RREM program in newspapers and on radio stations that serve LMI and other communities. In addition, DCA reached out to a diverse group of partner organizations, including the long-term recovery groups in each of the nine most-impacted counties, which assist low- and moderate-income families affected by Superstorm Sandy. DCA also partnered with mayors and local officials to provide recovery information to affected communities, and numerous mobile cabinets also were held in various impacted communities. These are some examples of the considerable outreach prior to and during the more than two-month RREM application period.

The extent of the State's outreach efforts is demonstrated by the fact that the State received more than 15,000 RREM applications of which more than 12,000 satisfied preliminary eligibility criteria. The RREM program heavily weighted funding towards eligible LMI households, with 70 percent of first tranche program funding reserved for LMI households.

The State remains committed to providing assistance to those households with the most limited financial resources and significant rebuilding needs. Given the dedication of RREM recovery resources targeting LMI populations, DCA anticipates serving the entire LMI RREM waitlist with second tranche CDBG-DR funds. Despite DCA's extensive outreach efforts with respect to the RREM program, the State wants

to ensure that vulnerable LMI households eligible for RREM assistance are served. To do so, the State, in response to the comments submitted to the Action Plan Amendment as first proposed and in consultation with HUD, initially will allocate \$40 million of second tranche CDBG-DR funds to target LMI households that may have been eligible for RREM assistance but did not submit an application during the RREM application period. If demand exceeds the initial funding allocation, the State will seek to apply additional CDBG-DR resources to meet identified needs. DCA will engage community-based non-profit organizations to disseminate information about this program to ensure that the population the program is intended to serve is aware of the program. The program also will follow the reconstruction and rehabilitation standards noted in the Action Plan.

Allocation for Activity: \$40,000,000

Maximum Award: \$150,000. This program may also provide temporary relocation assistance to homeowners who must vacate their home during reconstruction or who must move out because of the nature of their rehabilitation.

Eligible Applicants and Eligibility Criteria:

- Homeowner must qualify as low- to moderate-income
- Homeowner must have been registered with FEMA
- Homeowner must not have submitted an application for the RREM program
- Home must have been owner-occupied at the time of the storm
- Home must have served as a primary residence for the homeowner
- Home must have been in one of the nine most-impacted and distressed counties
- Home must have sustained damage as a result of Superstorm Sandy of at least \$8,000 or had more than one foot of water on the first floor

Selection Process: At the conclusion of the application period, the applications received will be electronically randomized and then prioritized based on damage levels. Information regarding how to apply to the program will be disseminated by DCA following HUD approval of this Action Plan Amendment.

Eligibility for CDBG-DR: Section 105(a)(4); 105(a)(8); 105(a)(11)

National Objective: Low and moderate income housing; alleviate slums and blight; urgent need.

3.2.3 Blue Acres Buyout Program

Superstorm Sandy substantially affected certain New Jersey communities that repeatedly sustain significant flood losses. Many residents of these communities

have expressed a preference for buyouts to allow them to relocate to less flood-prone areas. The decision to pursue a buyout is a difficult, personal choice unique to every household, and the State is committed to an expedited, voluntary buyout process to assist those households that want to relocate.

Buyouts are an important component of the State's holistic approach to smart and resilient housing sector recovery. Buying out flood-prone properties removes people from harm's way. Converting the land to open space creates more open areas that can help absorb flood waters in future storms, making the State more resilient to future weather events. Buyouts may also allow communities to create, or add to, local park lands, or expand wetlands, forests and wildlife management areas.

The State has already allocated \$100,000,000 in HMGP funds for buyouts and conversion of the property to open space and has approved the purchase of 272 of properties in Sayreville and South River. One hundred and twenty-two owners have accepted buyout offers and 22 have closed. An additional \$9.4 million in funding through the New Jersey Department of Environmental Protection's (DEP) Green Acres program and the USDA's Natural Resources Conservation Service will support buyouts in the Bay Point area of Lawrence Township in Cumberland County.

The State now proposes to commit \$100,000,000 of second tranche CDBG-DR funds for additional buyouts, to be administered and overseen by DEP. DEP has a long and successful history of voluntary acquisition of real estate for open space, recreation, and natural resource restoration. The Green Acres program has been purchasing land for preservation for over fifty years. For the past two decades, the State, through the Blue Acres Program, has been purchasing flood-prone properties and restoring the natural landscape. The Blue Acres program is primarily responsible for the Superstorm Sandy-related buyouts.

To reduce administrative burden and maximize funding available for buyouts, the program initially will be limited to homeowners in pre-defined targeted buyout areas. DEP will notify communities in this area of their eligibility; this may extend to communities throughout New Jersey. DEP may extend the program to other areas at its discretion, assuming available funding. Homes will be purchased at 100 percent of their pre-storm fair market value as determined through Blue Acres' established valuation process. Consistent with Federal Register Notice FR-5696-N-01, the State will uniformly apply its valuation methodology. Until a written agreement on the purchase price of the home has been reached, DEP, at its discretion, may decide not to move forward with the purchase of any home being considered for a buyout (as may the homeowner). After properties are acquired, CDBG-DR funds through this program also may be used to conduct demolition and debris removal activities, and other related activities necessary to convert the purchased property to open space.

Allocation for Activity: \$100,000,000

Maximum Award: Amount set through the Blue Acres valuation process at pre-storm fair market value, and also may include additional funding in the amount of costs for eligible necessary activities as defined by program criteria necessary to purchase property or convert purchased property to open space.

Eligible Applicants: Property owners in a floodway, a flood-prone area or an area that has sustained severe repetitive flood losses in all counties.

Eligibility Criteria:

- Property must be located in the floodplain.
- Property must be in a floodway, flood-prone area or an area that has sustained severe repetitive flood losses.
- Property must have been impacted by Superstorm Sandy.
- Property must be a one-unit, two-unit, three-unit or four-unit private residence.

Criteria for Selection:

- Property is located in pre-defined targeted buyout area determined by the State.
- Pre-defined targeted buyout area may include LMI households targeted for buyouts.
- Purchase of property will meaningfully enhance resilience against future storms.

Eligibility for CDBG-DR: Section 105(a)(1); Section 105(a)(2); Section 105(a)(4); Section 105(a)(11); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income area and/or limited clientele; alleviate slums and blight; urgent need.

3.3 Rental Housing and Renter Programs

To support the recovery of renters, the State will use second tranche CDBG-DR funds to increase funding for (i) the Fund for the Restoration of Multi-Family Housing, (ii) the Neighborhood Enhancement Program, and (iii) the Sandy Special Needs Housing Fund, all of which will increase the supply of affordable rental housing in the State.

3.3.1 Fund for Restoration of Multi-Family Housing

The Fund for the Restoration of Multi-Family Housing (FRM) is administered by the New Jersey Housing and Mortgage Finance Agency (HMFA) and provides funding to

facilitate the creation or rehabilitation of quality, affordable rental housing units to address the loss of multi-family housing caused by Superstorm Sandy. CDBG-DR funds are provided as zero- and low-interest loans to qualified developers to leverage 9 percent and 4 percent low-income housing tax credits and tax-exempt bonds to facilitate development projects. FRM funds also can be provided as stand-alone project financing.

In its Action Plan, the State allocated \$179,520,000 of first tranche CDBG-DR funds to FRM. Of that total, \$20 million was reserved exclusively to support the recovery of public housing authorities. The FRM program was quickly oversubscribed. As of December 31, 2013, HMFA had obligated all of its available first tranche FRM project funds, with a remaining unserved program pipeline approaching \$364,786,651.

The State will dedicate an additional \$200,000,000 of second tranche CDBG-DR funds to the FRM program, of which \$10 million will be initially reserved for PHA recovery projects. HMFA has set a goal that 80 percent of the non-PHA FRM funds from this tranche will be initially prioritized for projects to repair or replace multi-family housing within the nine most-impacted counties as determined by HUD.

The State incorporates the description of the FRM program in its Action Plan, as amended, as well as all eligibility and other criteria, except to the extent different from the descriptions below.

Allocation for Activity: \$200,000,000, inclusive of a \$10 million allocation initially reserved to support the recovery of public housing authorities.

Maximum Award: Amount of the award is to be based on underwriting the gap in the project rather than setting a maximum amount per unit. Standard HMFA underwriting applies.

Eligible Applicants: Private for-profit and nonprofit housing developers, as well as public housing authorities capable of developing and managing large multi-family developments.

Eligibility Criteria: Projects must: (a) rehabilitate or replace affordable rental units that were damaged as a result of the storm; (b) build new rental housing that addresses an unmet need resulting from the storm; or (c) convert existing structures into affordable housing that addresses an unmet need resulting from the storm. This conversion may include conducting substantial rehabilitation and as a result transitioning market rate units to affordable units, changing a property that was not a rental housing use into permanent, affordable rental housing or rehabilitating vacant, dilapidated units.

Criteria for Selection: Eighty percent of FRM funds from this tranche will be initially prioritized for projects to repair or replace multi-family housing within the nine most-impacted counties as determined by HUD.

Eligibility for CDBG-DR: Section 105(a)(1); Section 105(a)(4); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income housing; alleviate slums and blight; urgent need.

3.3.2 Neighborhood Enhancement Program

The Neighborhood Enhancement Program (NEP) – described as the Blight Reduction Program in the Action Plan – provides funding to stabilize “threatened but viable” neighborhoods through the creation of affordable housing. It funds the rehabilitation or re-use of abandoned, foreclosed and vacant housing, structures or lots and addresses the shortage of affordable housing caused by the storm, while at the same time returning blighted buildings to viable use. The program is intended to be a component of local plans to invest in and rebuild communities.

NEP provides zero percent loans to non-profit and for profit developers who will create affordable for-sale or rental housing units through either rehabilitation or redevelopment. The program will encourage the development of mixed income housing to prevent concentrations of poverty and build stable neighborhoods. As of January 13, 2014, the State has awarded all of NEP project funds, and the program is considered fully subscribed. Given the success of the NEP pilot program supported by first tranche CDBG-DR funds, the State will continue to fund the program, and expand its impact by seeking to further integrate the program with local redevelopment and rebuilding plans. The State also may look to integrate recovery partners into the administration of this program.

The State incorporates the description of the NEP in its Action Plan, as amended, as well as all eligibility and other criteria, except to the extent modified below:

Allocation for Activity: \$20,000,000

Maximum Award: \$250,000 per unit

Eligible Applicants: Nonprofit and for-profit developers. Community Development Financial Institutions may also apply as administrators of program funding or as developers, and propose projects or programs that would meet program eligibility criteria and achieve the goals of NEP, as described above.

Eligibility Criteria:

- Project must provide housing for households that are LMI.
- Units must be affordable at 30 percent of the gross income of the resident applicant.
- Properties must have an unaddressed funding need to bring the structure into compliance with all building code ordinances.

- Properties may have seven units or less.
- Projects must be feasible within funding caps and underwriting standards.

Criteria for Selection: Impacted areas that are viable but threatened and in need of rehabilitation.

Eligibility for CDBG-DR: Section 105(a)(4); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income housing; alleviate slums and blight; urgent need.

3.3.3 Sandy Special Needs Housing Fund

Superstorm Sandy reduced the available stock of permanent, affordable housing that supports special needs populations. In response, the State used \$25,000,000 in first tranche CDBG-DR funds to establish the Sandy Special Needs Housing Fund (SSNHF) to repair or replace housing for special needs populations. The program provides low-interest loans or grants to these projects.

As of January 13, 2014, \$9,524,361 of the SSNHF funds have been obligated to support special needs housing projects. An additional \$28,436,539 in proposed projects is currently in the program pipeline, and in the process of being evaluated for funding by HMFA. Based on the interest in the program, as described in the unmet needs assessment, the State anticipates that additional requests for funding under this program will be made by special needs housing developers.

Continuing its commitment to the restoration or replacement of damaged housing that supports special needs populations, the State will allocate \$25,000,000 in second tranche CDBG-DR funds to SSNHF. Seventy-five percent of funding will be reserved initially to benefit households with annual gross incomes at or below 30 percent of Area Median Income. The remaining 25 percent will be reserved initially to benefit households with annual gross incomes between 30 percent and 80 percent of Area Median Income. All funding in this program is projected to benefit LMI households.

The State incorporates the description of the SSNHF in its Action Plan, as amended, as well as all eligibility and other criteria, except to the extent modified below:

Allocation for Activity: \$25,000,000

Eligible Applicants: For-profit and nonprofit housing developers and public housing authorities capable of developing and managing the permanent supportive housing projects, and providing supportive services directly or indirectly through a service provider, to the targeted special needs populations.

Criteria for Selection: Experienced for-profit and nonprofit housing developers preferably with experience developing permanent, supportive housing; public

housing authorities. There is no cap on the amount of funding that can be provided for a given Special Needs Housing project, as long as that assistance is eligible and cost reasonable. HMFA will underwrite the Sandy Special Needs projects using the CDBG-DR monies as gap financing.

Eligibility for CDBG-DR: Section 105(a)(2); Section 105(a)(4); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income housing and/or limited clientele; alleviate slums and blight; urgent need.

3.4 Economic Development

3.4.1 Tourism Marketing Campaign

As described in the unmet needs assessment, tourism officials and businesses, especially but not exclusively those in New Jersey's shore communities, have emphasized the importance of a robust advertising campaign in 2014 in order to recover from the storm, revitalize damaged communities, and prevent any backslide from the recovery gains made by tourism-recovery investments in 2013. In particular, hardest hit towns that could not take full advantage of the 2013 tourism season because of the damage caused by the storm need a strong 2014 tourism season to support their ongoing recovery.

While the State does not envision a 2014 tourism campaign investment on par with the investment in 2013, a meaningful investment is required in 2014 to be responsive to the storm-related needs of the tourism industry, given the importance of that industry to employees, business owners, local communities and the State. The State anticipates leveraging multiple funding sources to achieve a timely and effective 2014 tourism marketing campaign. Assuming HUD grants the State's waiver request to increase by \$5 million the State's cap on using CDBG-DR funds for tourism – making New Jersey's cap the same as that approved for New York State – the State plans to add \$5 million of second tranche CDBG-DR funds to bolster the tourism marketing effort. The State plans to use these funds for many of the same efforts undertaken as part of the 2013 campaign, including television advertising, digital and radio advertising, social media and community events to attract tourists to New Jersey tourism destinations.

Campaign Goals and Intended Outcomes

The goals and intended outcomes of the advertising and marketing campaign for 2014 are substantially similar to those described in the Action Plan for the State's 2013 campaign, and include:

- Continued stabilization or increase in tourism-related revenues in impacted areas for 2014, particularly for hardest hit areas that could not take full advantage of the 2013 tourism season;
- Continued stabilization or increase in tourism-related employment in impacted areas for 2014, particularly for hardest hit areas that could not take full advantage of the 2013 tourism season; and
- Continued stabilization or increase in tourism-related tax revenues in impacted areas for 2014, particularly for hardest hit areas that could not take full advantage of the 2013 tourism season.

The State Tourism Office collects annual statistics and will measure the return rate of tourism activity in the most-impacted areas, and across the State.

Allocation for Activity: \$5,000,000, contingent on HUD's approval of the State's pending waiver request to use second tranche funds to support a 2014 marketing campaign.

Eligibility Criteria: The projected use of funds for marketing and outreach efforts will be focused as follows: event and festival planning and sponsorship in impacted areas within New Jersey; advertising creation and media placement (television/radio/digital and out-of-home advertising) both within and outside of New Jersey, with a focus on areas noted in the Action Plan with a large base of New Jersey visitors.

Eligibility for CDBG-DR: Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income area; urgent need.

3.5 Infrastructure

New Jersey's reliance on the proper functioning of its infrastructure systems – including transportation, energy, and water infrastructure – became painfully evident when these same systems failed in the aftermath of Superstorm Sandy. As documented in Section 2, Superstorm Sandy's associated storm surge and flooding caused a series of rippling effects on all New Jersey infrastructure sectors and led to widespread and prolonged failures. Sandy's rising waters overwhelmed water and wastewater treatment plants, hospitals, and other buildings that provide critical services. The storm triggered the State's worst transit disaster in its history and washed away portions of critical evacuation roadways. Electrical substations were crippled, causing power failures in all 21 New Jersey counties. Millions of New Jerseyans were subject to boil water advisories. Lacking both a steady power supply and functioning transportation and water infrastructure, industrial facilities and critical fuel distribution and production facilities shut down causing disruptions over an extensive geographic region.

New Jersey is pursuing a holistic approach to identify and realize opportunities to address infrastructure vulnerabilities and to make critical facilities more resilient in the face of future extreme weather events and other hazards. The State is rebuilding infrastructure in a stronger, safer, and smarter way to better mitigate and manage disaster risk.

In the days immediately before and after Superstorm Sandy, the State worked with each of the infrastructure sectors to implement a rapid-response strategy to restore infrastructure services in the short term, while laying a foundation for the responsible administration of federal and State resources in the years ahead. State agencies conducted extensive damage assessments of infrastructure, facilities, and equipment across all regions of New Jersey. On a local level, the State comprehensively surveyed communities across New Jersey on vulnerabilities and local resilience needs, and expanded the New Jersey Office of Emergency Management's (OEM's) Disaster Recovery Bureau in order to support community technical needs in the infrastructure recovery process. The State's Office of Homeland Security and Preparedness and New Jersey's Infrastructure Advisory Committee – which includes representatives from utility companies, chemical and pharmaceutical firms, the telecommunications and healthcare industries, and other industries that rely on New Jersey's ability to restore infrastructure services following a disaster – conducted a series of meetings and workshops meant to identify lessons learned from Sandy and opportunities for potential mitigation and resilience. New Jersey brought together cross-agency “working groups” to address recovery issues that cut across multiple sectors.

New Jersey drew on the expertise of academics and researchers, subject matter experts within government, and other leaders in their fields to design projects and programs to make infrastructure more resilient to future hazards. For example, the State partnered with two of the U.S. Department of Energy's (USDOE's) national laboratories to assess statewide energy vulnerabilities and identify opportunities to leverage commercially available technologies to address power generation needs at critical facilities. In collaboration with the U.S. Department of Homeland Security, the State is exploring opportunities to increase the resiliency of the State's petroleum storage and distribution and supply systems. The State also engaged six universities to devise flood mitigation strategies for particularly flood-prone communities located near the Hudson River, Hackensack River, Arthur Kill, Barnegat Bay and Delaware Bay.

In addition, on March 11, 2014, the State released for public comment a statewide Hazard Mitigation Plan. Perspective from the above-referenced assessments done in the aftermath of Superstorm Sandy was incorporated into its planning and comprehensive risk analysis process which included subject matter experts from state agencies, the New Jersey Office of the State Climatologist, and other experts in

flood control, sea level rise, and fire prevention strategies, among other areas. The Hazard Mitigation Plan analyzes New Jersey's risk from a wide range of hazards, including extreme weather events, drought, earthquakes, terrorism, cyber attacks, and other man-made and weather-related hazards. Consistent with FEMA guidelines, the Hazard Mitigation Plan also specifically addresses the risk of coastal erosion from sea level rise and other potential impacts from climate change. Moreover, the Hazard Mitigation Plan also factors in critical considerations like population trends, the location of key industry clusters in New Jersey, and the State's hydrography to inform risk analyses.

Taken together, New Jersey's work with universities and national laboratories, the State's Hazard Mitigation Plan, and the State's cross-agency inventory of unmet disaster recovery needs (as reflected in Section 2 of this Action Plan Amendment) provide context on historical trends and also highlight future potential risks, underscoring the need for investment in infrastructure resilience. As Sandy highlighted, flooding and energy vulnerability are two of New Jersey's greatest challenges. Flooding and storm surge events are capable of jeopardizing the health and safety of residents and causing billions of dollars in documented losses. Events, like Sandy, can also lead to widespread and prolonged power outages that impact emergency response functions, delay reinstatement of regional transit services, and strain the capacity and operations of critical infrastructure. As the Hazard Mitigation Plan and science-based analysis following Superstorm Sandy highlight, making New Jersey more resilient in the face of future extreme weather events and other forward-looking hazards requires increased focus on resilience and investment in programs that make New Jersey more resilient from flooding and energy vulnerabilities.

Looking to the future, New Jersey has identified multiple infrastructure needs that must be addressed to best position the State to be prepared for future disasters such as: (i) policies and standards aimed at realizing smart infrastructure investment, (ii) comprehensive planning to identify resilience opportunities, and (iii) technological innovation and "best in class" mitigation designs to meet future challenges and hazards. In designing responsive cross-agency infrastructure programs and projects, New Jersey is infusing policy, planning, and innovation in pursuing resilience opportunities at critical facilities across the State.

- **New Jersey adopted more resilient building standards, facilitated the use of nature-based measures to reduce risk from flooding and storm surge, and encouraged communities to incorporate mitigation elements in their rebuilding.** The State established by emergency rule the best available data from FEMA's new flood maps, plus one foot of freeboard, as the general rebuilding standard to adapt to changing flood hazard risks. Federal agencies, and President Obama's Hurricane Sandy Rebuilding Task

Force, subsequently adopted this standard for all reconstruction activities funded by the Sandy Supplemental Appropriation. Beyond immediate Superstorm Sandy rebuilding and reconstruction needs, the State's regulations adopting FEMA's best available data will continue to guide future development in flood zones, and support smart and sustainable long-term building practices. New Jersey is also encouraging the expanded use of nature-based infrastructure solutions in the long-term recovery process, including by adopting rules that enhance coastal protection by simplifying permitting processes to encourage sand fencing, maintenance of engineered beaches and dunes to design levels, and more widely adopting "living shorelines" – projects that utilize strategic placement of native vegetation, sand, organic materials, and oysters, clams, and mussels to reinforce shorelines and prevent flooding naturally. The State also encouraged local communities to not just repair damaged infrastructure, but to incorporate mitigation elements available under Section 406 of the Stafford Act. As of December 2013, over 88 percent of large FEMA Public Assistance projects in New Jersey (i.e., projects over \$500,000) now incorporate Section 406 mitigation elements.

- **New Jersey is planning for a variety of hazard scenarios and evaluating risk using a holistic framework.** Infrastructure must be prepared for a range of potential natural or man-made hazards. New Jersey's risk profile is not limited to Superstorm Sandy's trajectory: the State's 1,800 miles of tidal coastline and its concentration of critical infrastructure assets in densely populated areas render infrastructure particularly vulnerable to future extreme weather events and other hazards. To address and assess risk, State agencies have collaborated to identify those infrastructure assets most vulnerable to future risk and to assist communities in identifying potential resilience solutions. New Jersey also convened representatives from across state government to develop an integrated platform for mapping infrastructure assets in order to explore opportunities for regional resiliency. The State has already mapped existing energy, fuel, and other resources to identify areas where resilience is most needed. The State compiled fifteen years of FEMA Public Assistance data on a community and county basis to inform potential infrastructure resilience needs, and is using historical data as an opportunity to identify with greater precision those areas of the State that routinely experience loss from repetitive flooding. The State is working with all 21 counties to prioritize potential resilience and mitigation measures on a local- and regional-needs basis and to project areas of future vulnerability.

- **Enhanced planning remains a cornerstone of infrastructure project identification and development.** OEM launched a planning initiative under FEMA's HMGP to provide eligible counties with grants to develop multi-jurisdictional hazard mitigation plans, incorporating municipal perspective to address regional vulnerabilities. As part of the State's hazard mitigation planning efforts, a cross-agency effort was initiated to identify regional resiliency opportunities by examining the locations and characteristics of critical infrastructure including drinking water, wastewater, transportation and transit, energy, and communication systems and assessing infrastructure against over 20 potential risks, including coastal erosion, drought, flood, geological hazards, "Nor'Easters", hurricanes, and terrorism events. New Jersey's Statewide Hazard Mitigation Plan will apply the National Oceanic and Atmospheric Administration's Sea Level Rise Tool and other mapping tools to assess potential future risk to State assets. Studying where multiple infrastructure systems intersect and overlap enables the State to highlight and implement synergistic mitigation initiatives.
- **New Jersey is employing innovative technology and "best in class" mitigation enhancements to build resilience.** Innovation remains a critical cornerstone of New Jersey's recovery process and the State is employing experts from within the State and across the nation to identify new ways of managing risk and hardening infrastructure assets. New Jersey Transit (NJ Transit) is working with USDOE and Sandia National Laboratories to develop "NJ TransitGrid" – a first-of-its-kind microgrid capable of providing highly reliable, resilient power to NJ Transit's critical infrastructure and systems. NJ Transit is also collaborating with Stevens Institute of Technology to develop real-time, site-specific, "micro-surge" modeling technology for use during significant weather events to enable potential prediction and modeling of storm surge. DEP, in collaboration with FEMA, employed side-scan sonar technology across nearly 195,000 acres of waterways in an effort that ultimately removed over 360,000 cubic yards of debris and allowed for safer passage and navigation of waterways. The New Jersey Board of Public Utilities (BPU) developed a "Storm Cloud" outage data reporting system – an enterprise-ready, cloud-based application to monitor electric outages throughout the State. And the new Route 35 highway, being reconstructed through a partnership between the New Jersey Department of Transportation and Federal Highway Administration (FHWA), will feature a robust drainage system equipped with tide valves and pump stations to prevent the back-flow of water as well as 40-foot pile-driven sheets of steel to reduce washout of vulnerable areas of roadway while also protecting homes and businesses in the surrounding community.

This comprehensive approach is being applied as the State moves forward with infrastructure projects and programs. The State continues to work actively with FEMA, the Army Corps, EPA, the U.S. Department of Transportation, and other federal partners to realize cross-sector mitigation measures that better protect homes and businesses, public buildings, and critical infrastructure from future hazards. To ensure that recovery resources are purposed for their best and highest uses, New Jersey's infrastructure agencies have incorporated cost-benefit analyses into project development, and have retained leading economists to advise on the potential benefits of infrastructure investment.

The State is pursuing opportunities to realize Army Corps engineered beach and dune projects, to construct state-of-the-art road and transit projects, and to repair and harden water and wastewater facilities. Leading firms in the nation are designing and implementing these initiatives. In the coming months, the State intends to work with federal partners to realize additional regional and innovative resilience measures, including the potential implementation of the State's and USDOE's design of the "NJ TransitGrid" microgrid, which can provide regional energy resilience for critical transportation services that benefit the Northeast's economy and over 130,000 daily commuters on Amtrak and NJ Transit. For most of the resilient design projects that are or will be undertaken, the federal funding agencies require the State to contribute substantial matching dollars, known as "match" or "local share," to support project implementation. New Jersey's total local share obligations will be substantial. CDBG-DR funds, which can be used as a proxy for local share funding in some circumstances, is especially needed to assist the State in meeting its substantial local share obligations. The State proposes to use a portion of this allocation of CDBG-DR funds as match to support those existing and future projects that are being undertaken by State agencies in partnership with the various federal funding agencies.

Beyond meeting a portion of New Jersey's local share obligations, there are additional opportunities to build resilience and harden critical infrastructure using CDBG-DR funding. As New Jerseyans rebuild and reinvest in their communities, there is a substantial need to examine opportunities to integrate gray and nature-based infrastructure, along with technology and asset management techniques, that can reduce the risk of recurrent flooding and storm surge by better managing the flow of water. The State has partnered with universities from across the State to develop techniques and technology that can be deployed in regions of the State where there are no current Army Corps projects or where the addition of layered measures would complement the Army Corps' existing projects. A new CDBG-DR program – the Flood Hazard Risk Reduction & Resiliency Measures Program – would enable the State to realize temporary-, short-, or intermediate-term projects

that will offer appropriate levels of immediate risk reduction for homes, businesses, and critical infrastructure.

To address the energy vulnerabilities that were revealed at critical facilities throughout New Jersey, the State proposes the creation of the New Jersey Energy Resilience Bank, which would allow some of the State's most innovative and resilient energy projects to become a reality. The New Jersey Energy Resilience Bank would be the first Bank of its kind in the nation; it would focus exclusively on hardening critical facilities to address energy vulnerabilities. The Bank would support energy infrastructure projects that lack funding and support projects that incorporate energy technologies that are resilient in order to allow infrastructure to continue to operate even if the larger electrical grid fails. To the extent possible, the Bank would leverage limited federal dollars with State funding and private sector capital to maximize energy resilience at the most critical of facilities using microgrids or other cutting-edge designs. The Bank will provide the resources New Jersey's critical facilities need to invest in fuel cells, combined heat and power, solar with storage, and other technology that will better prepare water and wastewater facilities, schools and hospitals, police and fire stations, and other key community infrastructure for future weather events.

The benefits of executing a smart infrastructure rebuilding strategy will extend beyond better preparing the State for the next extreme weather event or other hazard. Infrastructure development can revitalize communities, attract a highly skilled workforce, help develop new industry and manufacturing, and increase economic activity in areas particularly distressed by Sandy's lingering effects. By pursuing resilient energy programs, New Jersey can realize more in-state generation of electricity – which will not only make the State more resilient, but will also make energy more affordable and reliable for critical facilities, and lead to the increased use of renewable technologies and a reduced dependency on diesel fuel.

The incorporation of nature-based approaches in designing flood risk reduction measures will not only blunt the impact of storm surges and flooding, but also preserve ecological functions, provide wildlife habitats, and foster balance between natural and built environments. Communities will benefit from storm-hardened roadways that incorporate "Complete Street" features that provide increased pedestrian and bicyclist access and safety. Over the long term, New Jersey will benefit from comprehensive planning efforts that seek to maximize limited dollars to harden the public buildings and other infrastructure on which the entire region depends.

3.5.1 Flood Hazard Risk Reduction & Resiliency Measures Program

As detailed in Section 2, Superstorm Sandy highlighted the flood and storm surge vulnerabilities of New Jersey's coastal and inland communities. Flooding from Sandy damaged housing stock and businesses and had significant impacts on critical infrastructure, causing widespread energy failures throughout the State. In some cases, existing risk reduction infrastructure was either damaged or destroyed.

The State is committed to building back better and more resilient. To that end, the State has adopted resilient building standards and developed programs and policies designed to infuse resilience and mitigation planning into reconstruction efforts. Through the Flood Hazard Risk Reduction and Resiliency Measures Program, the State and local communities will be able to address the risk of flooding and other hazards from future severe weather events.

As part of an ongoing risk assessment following Superstorm Sandy, the State and local communities have undertaken considerable efforts to evaluate the State's current and future flood plain and storm surge risk, identify communities and regions highly vulnerable to flooding and storm surge, and consider and develop designs for new infrastructure measures or improvements that can blunt storm surge and reduce flood risk. Cost-effective measures that reduce risk from flooding, storm surge, and other current and future disasters will assist the State in protecting federal investments in rebuilding infrastructure, housing, and businesses and will better prepare the State for future potential extreme weather events and other hazards.

To assess risk in repetitive loss areas, the State is analyzing Superstorm Sandy's flooding and surge data in order to identify potential resilient solutions that offer the best risk reduction potential. The State retained leading academic experts in civil and environmental engineering, storm water management, watershed and water environment restoration, and hydrology from six of the State's universities, including Monmouth University; Montclair State University; New Jersey Institute of Technology; Richard Stockton College of New Jersey; Rutgers, the State University of New Jersey; and Stevens Institute of Technology. Those experts are focused on analyzing regions of the State that were impacted by Sandy and that remain vulnerable to future loss, including areas along the Hackensack and Hudson Rivers, the Arthur Kill tidal strait, Barnegat Bay and the Delaware Bayshore. It is expected that the lessons learned from these vulnerable areas of the State – and the innovations and techniques used and developed in the course of analyzing risk – can be broadly applied to benefit other regions of the State with similar risk profiles.

Part of the State’s work has focused on comprehensively identifying and cataloging the sources of flooding in repetitive flood communities, including communities with recurrent or chronic rainfall- or tidal-induced flooding. By cataloging the volume of rainfall and its impact on storm water and combined sewer overflow systems, through physical inspection of existing risk reduction measures for damage or breach evidence, and by mapping assets including drainage systems, the State may be able to realize resilience improvements with the highest potential benefits and at the lowest possible implementation cost. The State is also harnessing technological innovation by partnering with universities to develop new methods for modeling flood and surge pathways to inform decision making, including through the use of “crowd-sourcing” (using personal photographs following Sandy to determine water levels on a street-level basis in communities).



Figure 3-1: Physical Inspection of Existing Risk Reduction Infrastructure. Teams assigned by the New Jersey Department of Environmental Protection have endeavored to catalogue Superstorm Sandy’s impact on berms, tidal gates, and other existing risk-reduction infrastructure. Physical inspection is a key part of the State’s assessment of the current condition of measures to identify necessary repairs as well as opportunities to enhance existing measures to address future extreme weather events and maximize federal investment.

Source: State of New Jersey/New Jersey Institute of Technology Partnership



Figure 3-2: Drainage Systems, Moonachie/Little Ferry. Addressing drainage issues could offer low-cost investment opportunities to increase New Jersey’s flood resilience. For example, bottlenecks in drainage systems, accumulated debris, and overgrowth may collectively exacerbate the impact of flooding and storm surge on communities. In addition, some drainage systems, constructed piecemeal over the last two centuries, have never been mapped. For example, Rutgers has been evaluating how minor drainage improvements can reduce flooding in the Moonachie/Little Ferry region (pictured).

Source: State of New Jersey/Rutgers, the State University of New Jersey Partnership

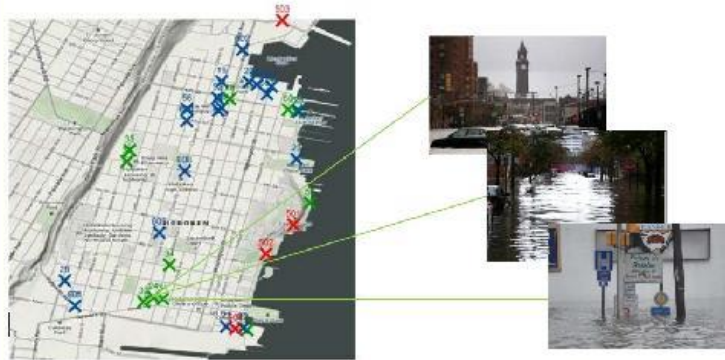


Figure 3-3: Crowdsourcing to Validate Flood Modeling. In partnership with the State, Stevens Institute of Technology is exploring innovative techniques to gather data to inform risk analysis. This photograph is one of many captured both during and following Superstorm Sandy through crowdsourcing. Geo- and time-stamped photos, like this one, allow the State to validate model projections against documented data points, further refining the accuracy of flood modeling to identify areas of increased flood vulnerability.

Source: State of New Jersey/Stevens Institute of Technology Partnership

Understanding the cause, source, and volume of flooding is critical to designing risk reduction measures that are suitable for specific localities or regions in the State and will lead to the highest and best use of limited recovery funds. Densely populated communities, such as those in Bergen and Hudson counties, will necessarily require solutions different from coastal or agricultural communities, such as those in Ocean, Monmouth, and Cumberland counties. In some areas, the enhancement of existing infrastructure to address future risk may provide added layers of risk reduction at lower cost.



Figure 3-4: Flood Pathways, Hoboken, NJ. In partnership with the State, Stevens Institute of Technology is creating and testing models to understand flood pathways. These models can provide information on local risks and can inform the selection of appropriate risk reduction measures and characterize the benefits and efficacy of different options. The State's assessment of flood pathways in Hoboken, New Jersey (pictured), for example, highlights the State's ongoing work to identify effective strategies for densely populated urban settings.

Source: State of New Jersey/Stevens Institute of Technology Partnership

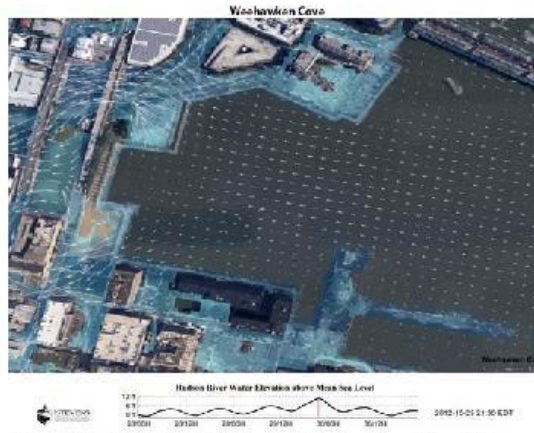


Figure 3-5: Storm Surge Modeling, Weehawken Cove, NJ. Modeling the interaction between land and waterways during a storm surge event reveals impacts to public safety, including to evacuation routes and critical infrastructure. These models can be used to understand local risks from storm surges.
 Source: State of New Jersey/Stevens Institute of Technology Partnership

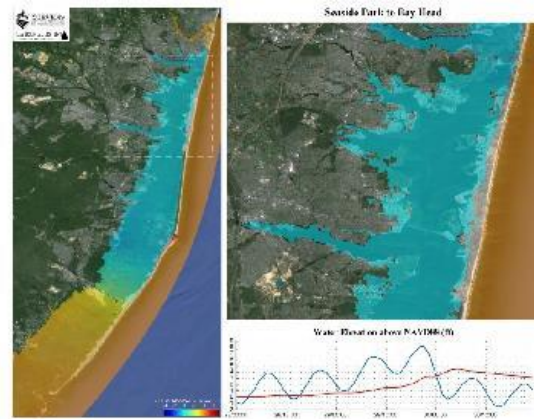


Figure 3-6: Water Elevation Mapping, Seaside Park to Bay Head, NJ. Mapping water elevation using the dynamic models developed by Stevens Institute of Technology in partnership with the State, facilitates a better understanding of flood risk. These models can be used to assess flood risk under numerous scenarios.
 Source: State of New Jersey/Stevens Institute of Technology Partnership

Ultimately, a mix of risk reduction solutions could be realized through the Flood Hazard Risk Reduction and Resiliency Measures Program. The measures to be

Quantifying Potential Reductions in Storm Surge and Wave Energy Given Different Levels of Restoration

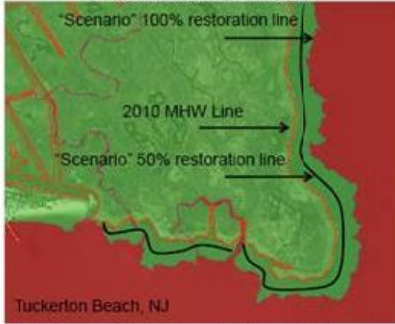


Figure 3-7: Wetlands Restoration, Tuckerton Beach, NJ. The efficacy and cost-effectiveness of nature-based risk reduction measures are being considered as potential solutions to reduce surge and flood risk. For example, by identifying potential wetland restoration scenarios, combined with dynamic modeling of the potential impact on wave energy and storm surge, the State can perform quantitative and qualitative analyses of the risk reduction provided by wetland restoration. This effort, undertaken by New Jersey in partnership with the Richard Stockton College of New Jersey, also allows for dynamic benefit-cost calculations. Source: State of New Jersey/The Richard Stockton College of New Jersey Partnership

considered will vary based on regional and community needs and could include short- and intermediate-term projects, such as clearing debris blocking drainage systems, and installing permeable pavement, rain gardens, mobile flood barriers and bioretention basins. More traditional measures, such as flood walls, pump stations, tide gates, engineered beach systems, and berms are also critical to reducing risk in certain circumstances.

Potential solutions being considered and evaluated by the State and universities include new resilient technologies that currently may not be commercially available or broadly employed. For example, many critical infrastructure owners and operators, including those at water and wastewater facilities, have identified the need for more resilient pumping stations to better control flood waters. As a result, the State is considering using CDBG-DR funding to support innovative water pumping station technologies that are not dependent on diesel fuel or the electrical grid, including pumps driven by rainwater, wave action, or wind. The State is also studying the efficacy and potential benefits of nature-based infrastructure. For example, through collaboration with Stockton, the State is evaluating the potential of wetlands restoration to reduce wave height.

In the process of constructing new risk reduction measures or making improvements to existing measures, natural habitats and other environmental impacts will be considered. The State is both researching potential environmental impacts of new flood control solutions and interacting with stakeholders to identify potential environmental challenges early on in the design and development process.

Projects funded with CDBG-DR will not, and cannot, supplant the need for Army Corps projects in vulnerable areas of the State. The Army Corps is in the best position to realize projects that will reduce risk in the most highly vulnerable regions of the State, including Hoboken, Jersey City, Little Ferry, and Moonachie, as well as Barnegat Bay, areas of Cumberland County, and other coastal communities, which lack existing Army Corps-constructed risk reduction measures. The State is collaborating with the Army Corps on the Corps' Comprehensive Study of the North Atlantic Coastal Region by providing data and other support to catalog the region's vulnerabilities and assist the Corps in the identification of new potential study and project areas. The Comprehensive Study can lead to meaningful future studies and

authorized long-term projects to better protect New Jersey's communities. The study is scheduled to be completed by January 2015.

Even when potential projects are identified through the Comprehensive Study, the likely duration of the investigation, study and design, authorization, appropriation, and construction process may leave communities vulnerable and without interim protection for a period of years. The Flood Hazard Risk Reduction and Resiliency Measures Program may be used to support temporary-, short-, or intermediate-term projects that will offer appropriate levels of immediate risk reduction for homes, businesses, and critical infrastructure in a community/region where there is a reasonable expectation that an Army Corps project will be undertaken to provide a future, long-term risk reduction solution. Flood Hazard Risk Reduction and Resiliency Measures Program projects or improvements can also be used to support the development of a layered approach of risk reduction measures for communities and the region. For communities where there are authorized projects that currently exist or will be soon constructed, the Flood Hazard Risk Reduction and Resiliency Measures Program can lay the groundwork to support the Army Corps' efforts to construct projects as soon as possible, by providing support for land and easement acquisition and site preparation.

Comprehensive Risk Analysis Framework for the Selection of Potential Risk Reduction Measures

The State's assessment of risk is an ongoing evaluation of current and future flood and other hazards. This assessment informs the State's framework for the selection of potential risk reduction measures. In applying that framework, the State will employ science-based risk analysis for risk reduction measures on a project-by-project basis.

Risk reduction measures must be developed on a localized and regional basis to address identified and known risks and hazards in specific areas of the State. Solutions must be individually tailored to a project area's risk profile and designed to maximize efficacy against potential future extreme weather events and other hazards, while balancing the cost and potential benefits of the proposed project. Risk reduction measures for densely populated urban areas will differ substantially from those measures that will be needed to reduce risk for shore communities.

Ultimately, there are several key principles that will guide the State's identification of specific risk reduction measures, consistent with HUD Federal Register Notice FR-5696-N-06. These principles, which are consistent with the State's approach to long-term recovery and the President's Hurricane Sandy Rebuilding Strategy, will guide the identification and selection of risk reduction projects to be funded using CDBG-DR funding:

- **Prioritize the Most Highly Vulnerable Flood Areas of the State for Proposed Projects or Improvements.** The State's ongoing efforts to understand and catalogue flood and storm surge risk will be used to identify those communities and regions most vulnerable.
- **Prioritize Projects that Will Reduce Flood and Surge Risk at Critical Facilities or for Federal and State Sandy Recovery Investments.** Where possible, risk reduction measures are needed to better protect areas in which there is substantial federal and state recovery investment. Through ongoing partnerships with FEMA, HUD, EPA, the U.S. Department of Transportation, and other federal agencies, the State is actively rebuilding areas impacted by Superstorm Sandy. To the extent possible, potential projects funded through the CDBG-DR Flood Hazard Risk Reduction and Resiliency Measures Program should seek to build on and protect existing investment.
- **Maximize Limited Recovery Funds By Assessing Projects Using a Robust Cost-Benefit Analysis.** The State is committed to ensuring that investment in risk reduction measures will provide a high degree of effectiveness relative to the cost of project development. In selecting individual projects, to the extent feasible and appropriate, the State will use best available economic principles and analytical techniques, including consideration of environmental impacts, public health and safety impacts, social impacts, and environmental impacts. The cost-benefit analysis will also consider population density and other population data, including potential project benefits for low- and moderate-income communities consistent with HUD requirements.
- **Prioritize Regional and Cross-Sector Risk Reduction Measures.** Given the limited availability of funding and substantial need for the deployment of risk reduction measures in highly vulnerable areas throughout the State, proposed projects that benefit more than one community or an entire region of the State will be given priority, as compared to projects that benefit a particular infrastructure sector or single jurisdiction alone. The State is already working with other federal partners, including the EPA, the FHWA and FEMA to maximize available federal funding to support projects that offer regional or cross-sector risk reduction benefits.
- **Consider Regional Impacts of Risk Reduction Measures, Including Water Displacement.** The construction of a risk reduction measure or improvement in one community may lead to the increased flood or storm surge in another community. The design of new risk reduction measures or improvements must account for displaced water flow, and the displacement

of water and its impact on surrounding communities and regions. In addition, where proposed projects have the potential to impact other CDBG-DR grantees, including New York State and New York City, or where there are design opportunities that will benefit the larger region, the State will consult with regional partners to consider regional solutions and impacts.

- **Consider Opportunities To Leverage Additional Funding Sources To Realize Large-Scale Projects.** Because of limited funding and substantial statewide need, communities and regions will be encouraged to seek out or leverage other available funding sources, including, for example, innovative public-private partnership models.
- **Require Risk Reduction Measures to Meet Minimum Resilience Performance Standards.** Risk reduction measures to be funded through CDBG-DR funding will be required to meet minimum performance standards that provide acceptable levels of resilience against different types of extreme weather events and other hazards. Potential projects will be assessed on a project's ability to reasonably withstand an extreme weather event and provide a continuing level of protection where reasonably practicable. To the extent possible, the State will rely on performance standards already developed by the Army Corps, DEP, and other experts in the field.
- **Consider Nature-Based Solutions.** In designing resilient coastal risk reduction projects, the State will assess the feasibility, efficacy, and cost-effectiveness of incorporating nature-based infrastructure, including living shorelines, use of wetlands, dunes, and beach nourishment to reduce surge and flood volume.
- **Consider Qualitative and Quantitative Data and Individualized Risk Assessments in Project Design.** The State continues to engage in a cross-agency initiative to identify and map critical infrastructure, to consider dependencies and interdependences of the various sectors, including infrastructure, economic, and housing, and to maximize mitigation and resilience opportunities. As noted, the State has collaborated with universities, national laboratories, and other experts and stakeholders to perform this ongoing analysis. The data compiled through this process will be used to inform the selection of proposed projects where appropriate. To the extent data is provided to the State in connection with HUD's Rebuild by Design competition, and is appropriately verified or peer reviewed, the State will consider data and analysis supplied.

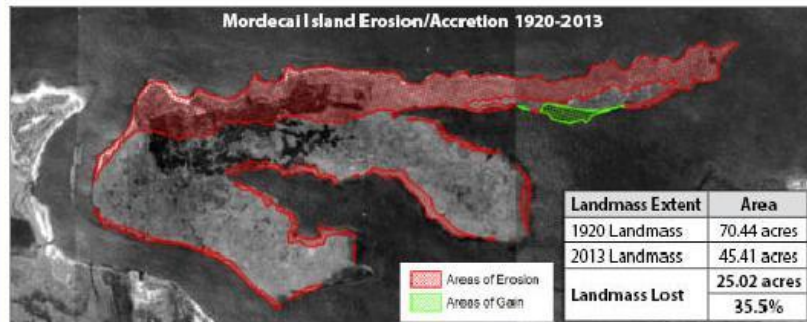


Figure 3-8: Mordecai Island Erosion/Accretion 1920-2013. This image, prepared as part of the State’s comprehensive analysis in collaboration with the Richard Stockton College of New Jersey, shows areas of erosion and accretion on Mordecai Island, near Beach Haven, New Jersey, since 1920. Over a period of approximately ninety years, Mordecai Island experienced a landmass loss of 35.5% or 25.02 acres. More broadly, erosion and accretion in coastal areas of the State may result in similar types of changes in landmass and may have a significant impact in New Jersey. Understanding erosion and accretion patterns is critical for understanding New Jersey’s risks and for planning for future changes in climate and development patterns.
 Source: State of New Jersey/The Richard Stockton College of New Jersey Partnership

■ **Utilize the Sea Level Rise Tool for Sandy Recovery to Inform Individual Project Selection.** The National Oceanic and Atmospheric Administration (NOAA) has identified four scenarios for global mean sea level rise in its

2012 report, “Global Sea Level Rise Scenarios for the United States National Climate Assessment.” Based on these four scenarios, labeled “Lowest,” “Intermediate-Low,” “Intermediate-High,” and “Highest,” NOAA generally has estimated, factoring in future potential conditions, global sea level rise by the year 2050 at the following four levels, respectively: 0.3 feet; 0.7 feet; 1.3 feet; and 2.0 feet. In addition, NOAA has made available electronic tools for individual communities to assess risk on a local or regional basis, including its Sea Level Rise Tool for Sandy Recovery. In accordance with HUD Federal Register Notice FR-

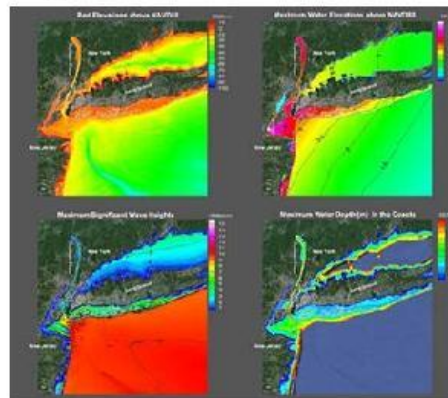


Figure 3-9: Simulated Flood Modeling. In prioritizing projects for CDBG-DR investment, the State will evaluate a potential project’s efficacy and cost-effectiveness by considering multiple flood and sea-level rise scenarios. New modeling developed by the NJ Institute of Technology (NJIT), in partnership with the State, will allow New Jersey to simulate and analyze potential future extreme weather events to inform community- and regional-level flood risk.
 Source: State of New Jersey/New Jersey Institute of Technology Partnership

5696-N-06, the State is consistently applying these tools to inform the development of the State of New Jersey's 2014 Hazard Mitigation Plan. In addition, as part of the State's comprehensive effort to assess the potential long-term efficacy and fiscal sustainability of specific risk-reduction measures and improvements using CDBG-DR funding, the State intends to utilize the federal government's available tools to consider the impact of potential sea-level rise and consider whether project designs should be enhanced to address potential sea level rise scenarios, where such enhancements are cost-effective and reasonably practical given the inherent uncertainty in sea-level rise modeling.

Allocation for Activity: \$100,000,000

Maximum Award: Award amounts will vary depending on the size and complexity of the project to be funded. The amount will be based upon a review by technical experts at the New Jersey DEP, taking into account, on an as needed basis, input from other resources from government, academia or private industry.

Eligible Applicants: In certain circumstances, DEP or other state agencies and authorities may be best positioned to develop or construct risk reduction measures that benefit regions of the State. Other eligible applicants will include municipalities, counties, improvement authorities, and other government agencies and authorities. Where individual communities seek to construct risk reduction measures, regional coordination will be encouraged.

Prioritization Criteria:

Criteria for prioritizing projects will include:

- Proposed project area must present a high vulnerability or risk to storm surge or flooding, as developed by a science-based analysis.
- Proposed project or improvement must result in storm surge or flood risk reduction or otherwise support the development of risk reduction measures or improvements, including through property or easement acquisition, demolition, site preparation, and infrastructure construction, installation, or repair.
- Proposed project or improvement must be analyzed using a robust benefit-cost analysis, which will consider the benefit of the project, including consideration of environmental impacts, public health and safety impacts, social impacts, environmental impacts, and population data.

- Proposed project or improvement must meet minimum resilience performance standards. The performance standards developed must consider a wide range of risks, including potential future extreme weather events and other hazards. In addition, the federal government's available sea-level rise tools will be employed to consider project design enhancements, where such enhancements are cost-effective and reasonably practical given the inherent uncertainty in sea-level rise modeling.
- Nature-based infrastructure will be considered where possible, reasonably practical, and cost-effective.

Eligibility for CDBG-DR: All Sections of 105(a)

National Objective: Low and moderate income area; alleviate slums and blight; urgent need.

3.5.2 New Jersey Energy Resilience Bank

New Jersey's emergency management personnel were faced with significant challenges when widespread and prolonged electrical outages resulted from Superstorm Sandy's powerful winds and rising flood waters. As documented in Section 2, wastewater treatment plants were unable to continue operations. Pump stations failed without power, leading to flood waters overwhelming public buildings and causing substantial damage. Hospitals and shelters – dependent on diesel back-up generators – were forced to contemplate evacuation in light of diesel fuel supply challenges. Town centers and other public buildings were rendered unusable because of a total lack of electricity. Power loss caused New Jersey's entire transit network to delay in re-instating critical transportation services to the region.

Critical facilities must have access to highly reliable and resilient energy in order to function. In the widespread electrical outages that followed Superstorm Sandy, those wastewater and water treatment plants, hospitals, schools, and other public buildings with resilient energy solutions were able to continue to operate even when the larger electrical grid failed.

Distributed generation technologies – technologies such as combined heat and power, fuel cells, and solar with storage – proved extremely resilient following Superstorm Sandy and can offer critical facilities across New Jersey a path for building energy resilience. When configured to "island" – i.e., operate independently of the larger electrical grid – these distributed generation technologies can harness the energy being produced to sustain critical operations. President Obama's Hurricane Sandy Rebuilding Task Force highlighted the Bergen County Utilities Authority in Little Ferry, New Jersey, as a model for the region and nation because it was able to use a "biogas-powered [combined heat and power] system to keep its

sewage treatment facilities working during and after the storm,” even in the face of a prolonged power outage.

Identifying Opportunities to Build Energy Resilience at Critical Facilities Throughout the State

Following Sandy, municipalities and counties re-examined infrastructure hardening needs and prioritized energy solutions that could keep infrastructure operating even when the electrical grid fails. As part of the long-term recovery process, OEM worked closely with municipalities, counties, and other infrastructure operators to assess the long-term resilience and mitigation needs of critical facilities throughout the State. Municipalities and counties were invited to identify potential mitigation and resilience projects that might meet local needs and address the vulnerabilities of their own communities. Through this process, close to 800 resilient energy projects were identified by 425 municipalities, counties, and government entities – resilient energy projects represented the single most requested type of resilience or mitigation project by New Jersey jurisdictions.

A cross-agency effort was initiated to identify critical infrastructure in New Jersey and opportunities for resilient energy solutions. OEM, New Jersey Office of Homeland Security and Preparedness (OHSP), BPU, and DEP used GIS mapping to view potential energy resilience projects across the State, and overlaid existing energy resilience solutions – highlighting opportunities to retrofit existing energy solutions to make those systems “islandable.” In addition, the agencies compiled critical facilities maps with key demographic information and use data for wastewater treatment facilities, prisons, schools, fire departments, law enforcement, municipal buildings, and long-term care facilities.

The cross-agency effort also resulted in a large-scale analysis of critical facilities throughout New Jersey in partnership with the USDOE’s National Renewable Energy Laboratory (NREL). Critical facility operators from across the State who identified energy resilience needs received a detailed questionnaire from the State requesting Sandy impact and energy needs data on a facility level. NREL then reviewed each questionnaire and identified potential distributed generation or other solutions on a micro-facility level. In addition, NREL and BPU conducted several site visits of buildings representing different categories of critical infrastructure to determine the market potential and applicability of technologies that would allow critical facilities to operate independently of the grid during future disaster events. NREL’s analysis highlighted the extent to which critical facilities across New Jersey were impacted by Sandy, are vulnerable to future electrical outages, and are capable of pursuing technology solutions that will make these facilities more resilient to future events.

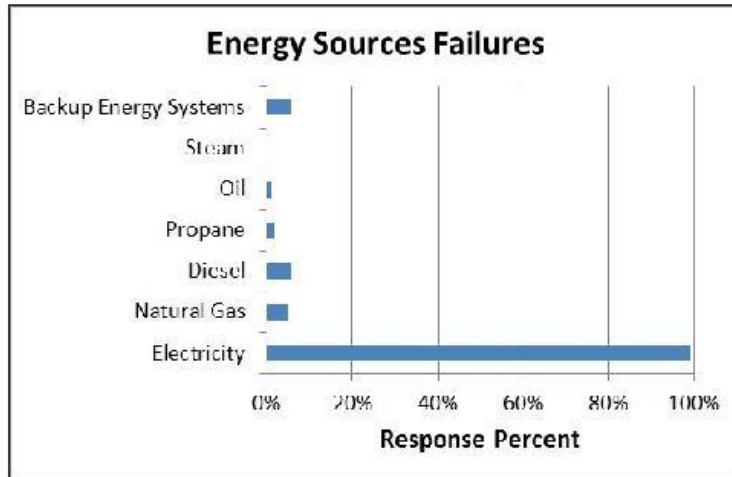


Figure 3-10: Energy Sources Failures. This graph shows the significant relative vulnerability of energy systems in New Jersey by highlighting energy source failures in the weeks following Superstorm Sandy. This data and analysis was developed through a partnership between the State, FEMA, and NREL and based on a survey of municipalities, communities, and other government entities throughout New Jersey. The graph demonstrates that the electricity system is most vulnerable to damage of significant storms, as shown by a near complete energy source failure following Superstorm Sandy. Other energy sources – including natural gas – were substantially more resilient than the larger electrical grid.

Source: State partnership with the U.S. Department of Energy’s National Renewable Energy Laboratory (NREL)

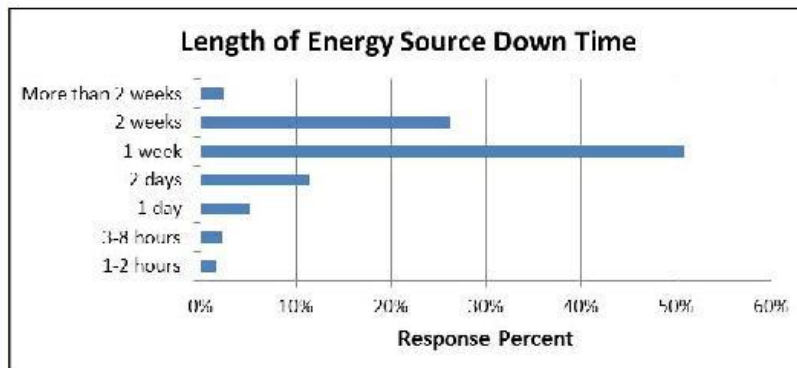


Figure 3-11: Length of Energy Source Down Time. This graph is another indicator of the relative vulnerability of the overall energy system in New Jersey. It shows that roughly 80 percent of all energy failures experienced during Superstorm Sandy required at least one week for repair, thus indicating high exposure of energy assets to coastal or at-risk flood areas. Almost 30 percent of the shutdowns required two or more weeks to restore power.

Source: State partnership with the U.S. Department of Energy’s National Renewable Energy Laboratory (NREL)

The State also brought in national experts on distributed generation and other resilience energy solutions to develop workshops for community leaders and emergency management professionals in three locations across New Jersey. Local leaders involved in developing long-term recovery plans for the State's communities learned how microgrids and other technology can lead to enhanced energy resilience.

These efforts culminated in the State's announcement of \$25 million in funding through FEMA's HMGP to support resilient energy projects across more than 145 jurisdictions and entities. Energy projects submitted to the HMGP were assessed through an inter-agency evaluation process using nine sets of objective criteria, including a fifteen-year review of FEMA Public Assistance data, population density, and (in the case of water and wastewater treatment plants) total daily flow in millions of gallons per day. HMGP funding is intended to be used as initial "seed money" to support communities in exploring aspects of larger, resilient energy solutions. However, additional funding will be required to realize substantial projects.

In a parallel effort, the State partnered with the President's Hurricane Sandy Rebuilding Task Force, USDOE, HUD, FEMA, and other federal agencies to explore potential energy resilience opportunities. In June 2013, the State announced a collaboration with USDOE and Sandia National Laboratories to design a microgrid capable of powering the critical electric needs of Hoboken, New Jersey – with a design approach that can be implemented in other communities throughout the State. In August 2013, the State also announced a study to design "NJ TransitGrid" – a first-of-its-kind microgrid capable of providing highly reliable power to support regional transit services. NJ TransitGrid could power commuter trains and stations, even when the traditional grid is compromised. U.S. Energy Secretary Ernest Moniz hailed NJ TransitGrid as "an important example of the sort of resilience we will need throughout the country, and this project can provide a first-of-its-kind example for the Nation, while creating jobs and a more competitive economy." NJ TransitGrid will incorporate innovative technologies, including distributed generation and solar panels with dynamic inverters and storage, and can be used as a model for other transit systems in the Nation that are vulnerable to extreme weather or other events.

In recognition of the State's comprehensive planning and efforts to design new opportunities to build energy resilience, the President's Hurricane Sandy Rebuilding Task Force lauded the Christie Administration for "embrac[ing] the opportunity to provide national leadership in energy resilience."

Creating the New Jersey Energy Resilience Bank to Address Statewide Energy Resilience Needs

The State proposes to create the New Jersey Energy Resilience Bank to continue to pursue innovation and build energy resilience. The Bank could help realize the development of distributed generation projects, microgrids, and other resilient technology designs at critical facilities throughout the State. The Bank could provide technical and financial support, including grants and low-interest loans, to critical facilities to realize energy resilience projects or enhancements to existing energy infrastructure. The Bank can be initially funded with CDBG-DR funds, but additional State support could be leveraged on an ongoing basis.

For some time, New Jersey has encouraged the use and deployment of distributed generation technologies. The Christie Administration's Energy Master Plan committed to developing 1,500 megawatts of new distributed generation resources where net economic and environmental benefits can be demonstrated. The Energy Master Plan also emphasizes the need to develop new, clean, cost-effective sources of electricity which lessen the State's reliance on older plants that have more emissions and environmental impacts.³ The benefits of technologies such as fuel cells, combined heat and power, and resilient solar are indisputable: HUD, USDOE, and EPA have recognized that distributed generation – in addition to providing resilience – can reduce monthly energy costs, reduce emissions, provide stability in the face of uncertain electrical prices, and increase overall efficiency.⁴

However, because of the initial cost associated with pursuing distributed generation technologies, many critical facilities do not currently have in place energy resilience solutions. Even those critical facilities with distributed generation technology may not be equipped to "island" – an enhancement to an existing system which could add as much as 10 to 30 percent to the cost of realizing an energy project but would also allow the facility to operate independent of the electrical grid. Many facilities have opted to pursue less expensive diesel-powered generators, but distributed generation is less reliant on liquid fuel supply and availability, has longer continuous run times, and has less environmental impacts. The New Jersey Energy Resilience Bank will help address unmet needs, and allow critical facilities the opportunity to pursue energy projects with resilience enhancements.

³ State of New Jersey, *Energy Master Plan*, 2011, available at http://nj.gov/emp/docs/pdf/2011_Final_Energy_Master_Plan.pdf.

⁴ U.S. Department of Energy, U.S. Department of Housing & Urban Development, and U.S. Department of Environmental Protection Agency, *Guide to Using Combined Heat and Power for Enhancing Reliability and Resiliency in Buildings*, Sept. 2013, available at <http://portal.hud.gov/hudportal/documents/huddoc?id=CHPSept2013.pdf>.

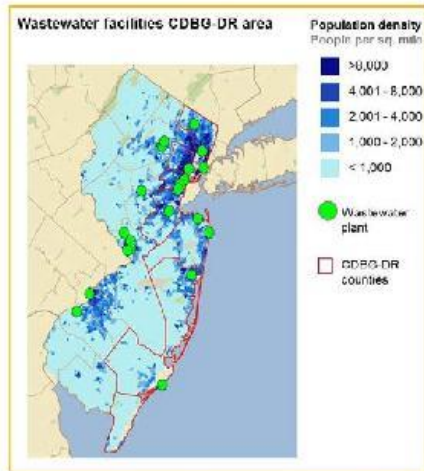


Figure 3-12: Wastewater Facilities CDBG-DR Area.

The State has been cataloging and identifying all critical facilities in the State that could be candidates for energy resilience solutions. The figure above shows the significant relative vulnerability of wastewater treatment facilities in New Jersey. Of the 23 largest wastewater treatment plants in the state, 14 are located in the nine most-impacted counties along the coast, with the majority concentrated near Sandy Hook and New York Bay. Together these critical facilities comprise nearly 70 percent of the State's water treatment capacity and are the focus of New Jersey's energy resilience efforts.

Source: New Jersey Board of Public Utilities

Over time, the Bank could be scaled by utilizing a portion of the CDBG-DR funds to encourage private sector investment in resilient energy projects. As a provider of a loan loss reserve, the Bank could seek financing from the private sector, to ensure that the seed funding has an expansive multiplier effect. The Bank could provide financial assistance in a variety of forms, including direct loans, loan guarantees, early stage grants and loan loss reserve coverage for private lenders. The Bank could also use grants, principal forgiveness, and other direct investment to further encourage the deployment of resilient energy technologies. The expansion of financing products is expected to build a larger, more sustainable market for distributed generation that will allow the State to extend its coverage to the maximum number of critical facilities and assets.

Realizing resilient energy solutions at water and wastewater treatment plants will be an early priority of the Bank, consistent with the State's emergency management and long-term recovery priorities. The National Infrastructure Protection Plan has recognized the importance of resilient water and wastewater treatment plants and the extent to which other infrastructure sectors depend on these critical facilities' ability to function:

It is necessary to better protect Water Sector infrastructure to safeguard public health and the economic vitality of our Nation. . . . [N]atural disasters, and denial of service that affect the sector could result in large numbers of illnesses or casualties, as well as negative economic impacts. Critical services such as firefighting and health care (hospitals), to include other dependent and interdependent sectors such as energy, transportation, and food and agriculture, would suffer damaging effects from a denial of potable water or properly treated wastewater.⁵

As part of the planning process, the State met with the Association of Environmental Authorities of New Jersey and individual facility operators to assess energy resilience needs. Through this process, the State determined that a handful of water and wastewater treatment plants – only 7 percent of New Jersey's total wastewater

⁵ U.S. Department of Homeland Security & U.S. Environmental Protection Agency, *Water Sector-Specific Plan: An Annex to the National Infrastructure Protection Plan*, 2010, available at <http://www.dhs.gov/xlibrary/assets/nipp-ssp-water-2010.pdf>.

capacity – have distributed generation that is capable of being islanded. Facilities without resilient technology remain highly vulnerable to energy supply issues or must otherwise rely on diesel-powered generators to sustain operations. A large number of plants in the State have no existing distributed generation, and many of these facilities are good candidates for combined heat and power or other technologies. Alternatively, these facilities can be incorporated into larger microgrid systems designed to meet the needs of a community’s critical infrastructure. Other plants that already rely on distributed generation technology may need to retrofit existing technology to allow facility islanding. The Bank could assist water and wastewater treatment plants across the State in realizing distributed generation solutions unique to the needs of individual facilities.

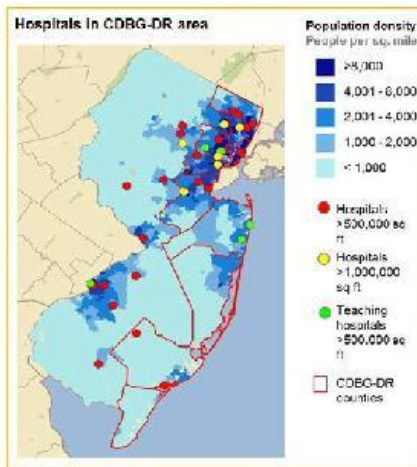


Figure 3-13: Hospitals in CDBG-DR Area. The figure above shows the significant relative energy vulnerability of hospitals in New Jersey. Twenty-two of the State’s largest 35 hospitals are located in HUD-designated nine most-impacted counties along the coast, including six of the eight largest counties. These hospitals are also clustered in the portion of the State with the highest population density, thus having the potential to impact on a large portion of the State’s residents.

Source: New Jersey Board of Public Utilities

In addition to supporting water and wastewater treatment plants, the Bank could also provide assistance to public facilities, and some select private sector customers that own or operate facilities or assets critical to the State. High priority facilities for energy resilience projects could be those facilities directly associated with the health and safety of citizens in the State, facilities that safeguard the State’s environment, or that serve other critical public facility functions. Possible critical facilities that could be served by the Bank include public housing, hospitals, emergency response facilities, municipal town centers, correctional facilities, transportation and transit networks, and regional high schools that can function as shelters in the case of any emergency. It could also include liquid fuel refineries, distribution facilities, pipelines, or other facilities that serve critical emergency functions.

The New Jersey Energy Resilience Bank represents only one aspect of the State’s ongoing efforts to incorporate energy resilience into the State’s long-term infrastructure recovery. The demand for resilient energy solutions by critical facilities and public buildings throughout the State is expected to far exceed the limited recovery funds available to support the Bank. The State is working with

other federal funding partners to realize resilient energy projects that will benefit the region, including by working with the U.S. Department of Transportation’s Federal Transit Administration and the Regional Infrastructure Resilience Coordination Initiative in the hope of identifying available funds to realize the USDOE’s and Sandia National Laboratories’ design of NJ TransitGrid.

Comprehensive Risk Analysis Framework for the Selection of Potential Energy Resilience Solutions

Several key principles will guide the State's selection of projects to be supported through the New Jersey Energy Resilience Bank using CDBG-DR funding, including supporting innovative energy resilience solutions through a technology-agnostic program design, considering renewable solutions where possible, and prioritizing microgrid designs. These principles are guided by the State's comprehensive planning efforts and will best harness new, resilient distributed generation opportunities. The selection of individual facilities and the identification of hazards and risks will continue to be supported by a cross-agency effort, which includes the State's emergency management and energy professionals in collaboration with federal agencies.

The following principles will be used to guide the identification and selection of energy resilience projects to be funded using CDBG-DR funding:

- **Prioritize Facilities That Protect Life or Property or Provide Other Critical Services.** Facilities that provide life-critical services on a significant scale during emergencies, or that are critical to recovery efforts following an emergency, could be prioritized. Currently, facilities that fit these criteria are water and wastewater treatment plants, hospitals, town centers, colleges and universities and regional schools capable of sheltering functions, prisons, public housing, and other critical facilities. The Bank will collaborate with OHSP to appropriately prioritize facilities that are included in the OHSP State Asset Database – a database of buildings or facilities that meet pre-established State or national asset criteria or that meet other statewide emergency planning or homeland security objectives.
- **Support Technologies and Designs That Offer Energy Resilience in the Event the Larger Grid Fails.** The New Jersey Energy Resilience Bank will be technology-agnostic and could support a wide variety of distributed generation and renewable technology. The Bank can actively monitor new technological breakthroughs and market changes that make nascent technology commercially available. Ultimately, technology decisions may be informed by a robust cost-benefit analysis that will seek to weigh the relative benefits of the technology, including energy resiliency, against the possible cost to taxpayers. To develop a cost-benefit analysis framework, the BPU collaborated with the Rutgers University Center for Energy, Economics and Environmental Policy (CEEPP) to create a comprehensive distributed generation cost-benefit model that includes the value of lost electrical load as a benefit. This model can be used to assist in determining the cost effectiveness of the selected technologies.

- **Consider Renewable Energy or Other Clean Energy Solutions Where Possible.** Through the BPU's Clean Energy Program, the State is already promoting increased efficiency and the use of renewable sources of energy including solar, wind, geothermal, and sustainable biomass as well as clean energy technologies, including combined heat and power and fuel cells. The New Jersey Energy Resilience Bank will complement the efforts of BPU's Clean Energy Program. Where possible and cost-effective, resilient energy solutions supported by the Bank could consider and incorporate the use of renewable or other clean energy sources.
- **Prioritize Microgrids or Other Designs That Maximize Investment by Addressing Resilience at Multiple Facilities or Across Different Infrastructure Sectors.** The State is working with USDOE and its national laboratories to design new microgrids – systems capable of generating highly reliable power for multiple critical facilities. In Hoboken, New Jersey, for example, Sandia National Laboratories is considering how multiple public and other buildings that provide critical services to the community can be systematically powered following a disaster. The NREL also identified critical facilities throughout the State that are capable of sharing electric or thermal loads to power core operations.
- **Require Energy Resilience Projects to Meet Minimum Resilience Performance Standards.** Resilient energy projects to be funded through CDBG-DR funding will be required to meet minimum performance standards that are capable of supporting operations in the event of an electrical grid failure or other outage. Potential projects could be assessed on a project's ability to support, at least, minimal emergency operations during an electrical outage. Projects may also need to meet other performance standards that are infrastructure-sector specific. The Bank can work with the BPU, DEP, OHSP, and OEM to define minimum resilience performance standards. Potential performance standards for projects could include requirements that the project promote redundancy within the distribution grid and offer enhanced network connectivity, among other potential requirements.
- **Assess Individual Energy Projects for Flood Risk and Other Hazards.** Much of New Jersey's critical infrastructure that is vulnerable to electrical outages may also be located in the flood plain or otherwise subject to enhanced risk of flooding or storm surge. In prioritizing and selecting energy resilience projects for Bank support, the State will review design options that ensure that energy technology will be appropriately elevated, walled, or otherwise resilient to potential future flooding and storm surge. Consistent with HUD Federal Register Notice FR-5696-N-06, the State will also evaluate

potential sites for resilient energy technology using the National Oceanic and Atmospheric Administration’s (NOAA) Sea Level Rise Tool to assess the risk of sea level rise over the useful life of the energy technology to be funded. The State anticipates continued collaboration with USDOE to also incorporate design opportunities which respond to other known risk hazards, including cyber security risks, to the extent that hazard risk reduction designs are appropriate and cost-effective.

- Utilize Existing Technology Where Possible and Cost-Effective.** The State has mapped distributed generation and renewable assets across New Jersey. For example, there are over 22,000 solar installations in the State of New Jersey. The Bank can provide critical facilities with assistance in identifying opportunities to retrofit existing technology to make the technology more resilient, where possible, by installing dynamic off-grid inverters (special switches that can isolate or “island” the solar panel system in case of grid failure), storage, and other technology that would allow distributed generation and solar systems to continue to support the critical facility during an electricity outage.

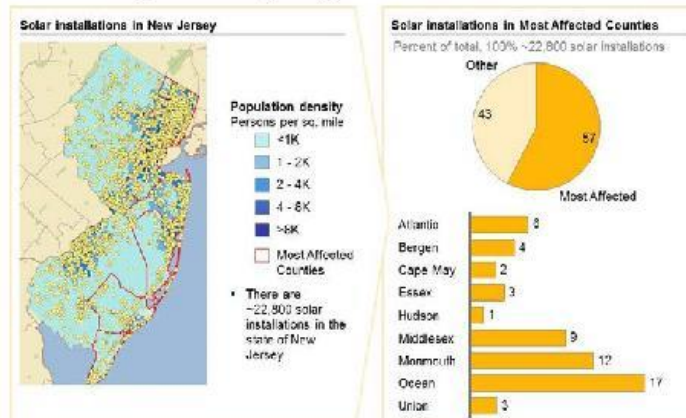


Figure 3-14: Solar Installations in New Jersey and Most Affected Counties. Many public buildings in the State already have solar panels or other distributed generation resources. This technology may have been originally installed for the primary purpose of maximizing energy savings without regard to resilience and risk planning. In the aftermath of Superstorm Sandy, many of these systems failed because the technology was not installed with the additional capability of “islanding,” i.e., maintaining power on its own in the event that the larger electrical grid experiences a power shortage. For additional cost, solar panels can be retrofitted to add dynamic inverters and storage capacity, affording public buildings the opportunity to continue to maintain electrical power even if the electrical grid fails. The State has mapped all of the solar assets in the State to begin the process of identifying those facilities that are best candidates for resilience enhancements. The figure above shows the large proportion of New Jersey’s solar installations that are located in HUD-designated nine most-impacted counties. In fact, of the nearly 23,000 installations state-wide, approximately 57% are located in these nine counties. Solar installations located in Ocean, Monmouth, and Middlesex Counties represent the largest share of potential resilient enhancement opportunities, representing 17, 12, and 9% of all State solar installations, respectively.

Source: New Jersey Board of Public Utilities

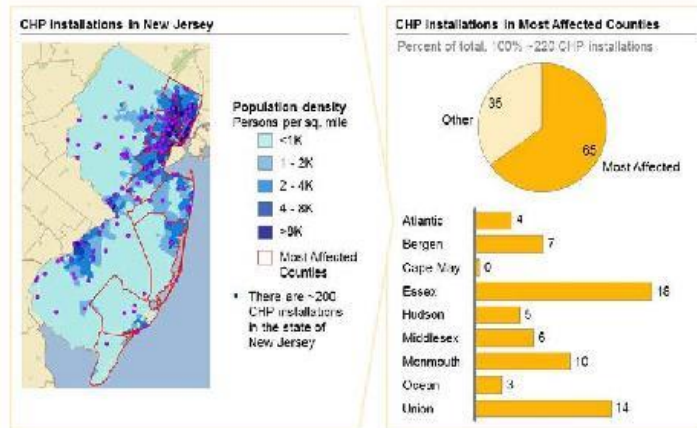


Figure 3-15: CHP Installations in New Jersey and Most Affected Counties. In addition to mapping solar assets to identify opportunities to incorporate dynamic inverters, storage, and other resilience enhancements, the State has actively mapped other existing distributed generation resources that could be candidates to retrofit with “islanding” capabilities. For example, combined heat and power (CHP) systems – which provide highly reliable, on-site electricity and thermal energy – were already constructed at many municipal, county, and other facilities throughout the State. Depending on the criticality of infrastructure, these systems can and should be retrofitted to include “islanding” capability, to continue to operate even if the electrical grid fails. Nearly two-thirds of New Jersey’s 200 CHP installations are located in HUD-designated nine most-impacted counties. Combined heat and power installations located in Essex, Union, and Monmouth Counties represent the largest share of vulnerable installations at the county-level, representing 18, 14, and 10% of all State CHP installations, respectively. *Source: New Jersey Board of Public Utilities*

Allocation for Activity: \$200,000,000

Maximum Award: Funded awards will be determined based on projected cost estimates, taking into account project benefits.

Eligible Applicants: Initially, water and wastewater treatment facilities will be prioritized given that infrastructure sector’s particular vulnerability to energy interruptions, as assessed through the State’s comprehensive planning effort. The New Jersey Energy Resilience Bank could also serve other public critical facilities and assets, including hospitals, emergency response facilities, municipal town centers, correctional facilities, transportation and transit networks, public housing and regional high schools that can function as shelters in the case of any emergency. Depending on HUD’s eligibility criteria, for-profit hospitals, liquid fuel refineries, distribution facilities, pipelines, and other private facilities and assets that provide critical services could also be considered.

Eligibility Criteria: Must be an eligible applicant pursuing a project that will build energy resilience by ensuring the availability of a highly reliable power supply in the event that the larger electrical grid fails (due to a storm, or any other incapacitating event).

Criteria for Selection: Individual projects will be ranked and prioritized based on metrics in three categories: technical feasibility, criticality and resiliency, and credit/economics. Technical feasibility will be assessed based on the technical specifications of the project including the technology used, size and scale, feasibility, environmental review, and cost and revenue estimates. Criticality and resiliency will be assessed based on the criticality and resiliency impact of the project in establishing an “island of power” that has potential to benefit vulnerable populations and decrease dependency on diesel fuel sources. A project’s credit and economics will be assessed based on the credit worthiness of the sponsor and the economics of the project to ensure it is cost effective and that Bank risk exposure is managed. Priority will be given to applicants who maximize funding opportunities by pursuing microgrids or other designs that can address energy resilience at multiple critical facilities or across different infrastructure sectors. Applicants need not meet all criteria to be eligible.

Eligibility for CDBG-DR: Section 105(a)(2); Section 105(a)(8); Section 105(a)(11); Section 105(a)(12); Section 105(a)(14); Section 105(a)(15); Section 105(a)(22)

National Objective: Low and moderate income area and/or job creation/retention; alleviate slums and blight; urgent need.

3.5.3 State and Local Non-Federal Cost Shares (Match)

Numerous federal funding streams used in the recovery effort carry non-federal cost shares, also known as “match” or “local share obligation.” The “match” portion of the project is that portion of the total cost of a project or program that the State, county, municipality or other entity benefitting from the project or program is responsible to satisfy, as opposed to a federal agency. Different federal funding streams can have different non-federal cost shares. Many funding streams target infrastructure-related recovery initiatives, as described below.

The State’s Action Plan committed \$50 million of first tranche CDBG-DR funds to a FEMA match program, primarily to address non-federal cost shares associated with projects like debris removal undertaken in the immediate aftermath of the storm. As recovery has progressed and other infrastructure projects have begun, additional non-federal match obligations have been incurred by the State, counties, municipalities, and other entities. Given the costs associated with the long-term recovery effort, many jurisdictions and entities in New Jersey are fiscally constrained and require enhanced financial support to meet these federal program match obligations.

The State will use \$200,000,000 in second tranche CDBG-DR funds to address many of these match obligations. To arrive at that figure, the State looked to existing

recovery commitments that require a match as well as other federal funding reasonably expected to be used in the State's recovery that will require a match. Specifically:

- The current non-federal cost share for projects authorized by the Army Corps and which have not received construction funds in the last three years is 35 or 50 percent, depending on the type of project. These projects include the construction of sand dunes, berms, engineered beaches, and other gray and nature-based infrastructure. However, federal regulations cap the amount of CDBG-DR funds that can be used to match the Army Corps projects at \$250,000 per project. The State presently projects that there will be fourteen (14) Army Corps projects authorized in New Jersey for Sandy recovery.
- EPA announced that it will award New Jersey \$229 million of its Sandy Supplemental funds to improve water quality following the storm. The State plans to leverage EPA funds through the State's Environmental Infrastructure Trust and will then target those resources to address storm impacts on water and wastewater systems and associated resilience measures. The EPA funds carry a 20 percent non-federal cost share obligation.
- Projects authorized by the FHWA using Sandy Supplemental funding currently carry a 10 or 20 percent non-federal cost share, depending on the project. These funds are used to repair damage caused by the storm, particularly to roadways, and to build back more resiliency. The ongoing Route 35 project on the Barrier Island – where the State highway is being reconstructed with flood vents, pump stations, and other “best practice” mitigation measures – is one example of a road project primarily funded through FHWA Sandy Supplemental funds in partnership with the New Jersey Department of Transportation. Based on present projections, the State currently estimates that the non-federal cost share for FHWA projects will approach \$66 million.
- FEMA-funded projects and programs currently carry a 10 percent, and in some cases, 25 percent, non-federal cost share. The State currently projects that the total cost of FEMA projects and program investments for Sandy Recovery between the State of New Jersey, municipalities and other eligible FEMA recipients will exceed \$2 billion, creating at least a \$200 million match obligation.

These figures are estimates of unmet needs arising from known non-federal cost share obligations. As recovery progresses, it is likely that some projections may understate or overstate the New Jersey's actual non-federal cost share needs across

all federal funding sources. Additionally, it is possible that other federal funding programs not currently identified may include cost share obligations that will be addressed through this program. Given other critical unmet recovery needs, the State will not be able to cover all cost shares incurred in the recovery by counties, municipalities or other entities that received federal funding that carries match obligations.

The State may use the CDBG-DR funds as a match to repair or construct a wide range of eligible infrastructure projects, including: emergency protective measures such as demolition and removal of health and safety hazards; roads and bridges; dams and reservoirs, and levees; debris removal; public buildings; water treatment plants and delivery systems; power generation and distribution facilities; sewage collection systems and treatment plants; water lines and systems; telecommunication systems; and parks/beaches/recreational facilities.

Allocation for Activity: \$200,000,000

Maximum Award: Up to the maximum amount of CDBG-DR funds that can be applied to the match for a particular project or program.

Eligible Applicants: New Jersey state departments, agencies, and authorities; counties; municipalities; and other entities subject to non-federal cost shares.

Eligibility Criteria: Project or program for which CDBG-DR funds will be used as the non-federal cost share must be a CDBG-DR eligible activity.

Criteria for Selection: For State non-federal cost shares, the underlying project or program must carry a non-federal cost share, and must be an eligible CDBG-DR activity. For counties, municipalities or other entities subject to non-federal cost share obligations, the underlying project must carry a non-federal cost share, and must be an eligible CDBG-DR activity. The county, municipality, or other entities subject to non-federal cost shares also must show significant financial hardship if CDBG-DR assistance is not provided for all, or some portion of, the total match obligations.

Eligibility for CDBG-DR: Section 105(a)(1); Section 105(a)(2); Section 105(a)(4); Section 105(a)(9); Federal Register Notice FR-5696-N-01 and FR-5696-N-06

National Objective: Low and moderate income; alleviate slums and blight; urgent need.

3.6 Support for State and Local Government Entities

3.6.1 Essential Services Grant Program

FEMA's Community Disaster Loan (CDL) program is the primary source of direct funding for municipalities and other government entities with budget challenges following a natural disaster, including challenges created by unanticipated storm-related expenses and losses of ratables or other revenues. However, the regulations presently governing the CDL program result in its not being sufficient to ensure all affected entities are able to continue providing essential public services to residents within the constraints of existing local government and school district budgets.

Recognizing this, the State established the Essential Services Grant Program. Using \$60 million of first tranche CDBG-DR funds, the program provided funding to counties, municipalities, school districts and other government entities to ensure continued funding of essential public services for residents. As of January 2014, more than \$36 million has been disbursed to local governments and school districts under this program.

The State's analysis shows that, over the next two years, government entities in particularly hard hit communities will require further financial support to ensure delivery of essential services. Based on that analysis, the State will allocate \$85 million of second tranche CDBG-DR funds to support these communities in 2014 and 2015. Leveraging the State's authority to approve local government and school district budgets, the State's programmatic eligibility requirements will continue to ensure that Essential Services Program funding is only provided to those impacted municipalities in need of support.

DCA, through its Division of Local Government Services, will also provide guidance explaining the program objective of ensuring essential services and setting forth program parameters to ensure transparency. In addition, DCA will work with the New Jersey Department of Education to provide appropriate guidance to school districts.

The State incorporates the description of the Essential Services Program in its Action Plan, as amended, as well as all eligibility and other criteria, including the modifications to the program provided below:

Allocation for Activity: \$85,000,000

Maximum Award: Awards will be based upon need as determined by a financial review by DCA's Division of Local Government Services. Staff will review requests and ensure that only the necessary amount will be granted. The maximum award

will be determined based on an analysis of the need or funding gap for each type of essential service assistance requested by the local grantee.

Eligible Applicants: Counties, municipalities, authorities, fire districts, school districts and other local government agencies providing essential services.

Eligibility Criteria: Applications must:

- Demonstrate a financial need resulting from the impact of Sandy that will compromise the delivery of one or more public service functions.
- Facilitate the short- and long-term recovery of those local government entities and school districts greatly impacted by Superstorm Sandy by seeking appropriate budget capacity to deliver (i) existing services that, because of the effects of Superstorm Sandy on their baseline budget, would be eliminated or severely curtailed were it not for the grant; and/or (ii) additional services necessitated by Superstorm Sandy.
- Discuss what steps are being taken to contain costs and implement sound fiscal and managerial practices, including but not limited to: personnel cost restraints, nonessential service reductions, procurement initiatives, as well as efforts at identifying opportunities to share services and capital assets with neighboring communities.
- Discuss actions being undertaken to facilitate reconstruction of public and private property, and enhance preparedness for, and resiliency in the face of, future storms.

Criteria for Selection: Eligible applicants will be selected based on the following criteria:

- Whether the applicant has insufficient budget capacity to provide essential services, including public safety-related services such as fire, emergency dispatch, security services, policing/law enforcement; health and welfare-oriented services including public works, garbage collection/disposal, water/sewer, health and social services; planning/permitting services; and education-related services.
- DCA has determined through a review of financial information (including but not necessarily limited to FEMA Community Disaster Loan applications, introduced budgets, and annual financial statements) that there exists hardship such that the applicant will have to eliminate or severely curtail the requested services due to the effects of Superstorm Sandy and/or will be unable to provide those additional services necessitated by Superstorm Sandy. The funding will be based on a determination of the gap between the

level of essential services required by the community and the amount that the community can afford to sustain, given its Sandy-impacted budgets.

Eligibility for CDBG-DR: Section 105(a)(8)

National Objective: Low and moderate income; alleviate slums and blight; urgent need.

3.6.2 Unsafe Structures Demolition Program

Because of Sandy, numerous homes were knocked off their foundations, were left in a state of dilapidation or disrepair, or were made a fire hazard or danger to public health or welfare (collectively, “unsafe structures”). Remediating these threats to health or public safety is of utmost importance. Moreover, these homes present a significant risk of blight that, left unaddressed, undermines community and State recovery efforts.

Municipalities have been responsible for addressing unsafe structures within their borders. In many cases, property owners have taken steps to remediate or demolish Sandy-impacted unsafe structures on their properties. Some municipalities also have offered programs to impacted property owners whereby, with the consent of the property owner, the town will incur all costs of demolition, provided that the structure being demolished is considered by FEMA to be in “imminent danger of partial or total collapse.” Under FEMA’s Private Property Debris Removal (PPDR) program, FEMA will reimburse 90 percent of eligible costs to demolish these structures. The philanthropic community also has provided assistance to some impacted property owners needing to demolish unsafe structures. By these combined efforts, substantial strides have been made toward addressing unsafe structures.

This program provides funding to be used by state agencies to obtain resources to identify unsafe structures in need of demolition, to demolish unsafe structures, to remove debris, and to perform any additional activities or address other costs ancillary or related to demolitions. Where applicable, demolition and debris removal activities under this program will comply with the New Jersey Superstorm Sandy Demolition Guidance Document issued in April 2013, which incorporates the federal requirements imposed by the National Emission Standards for Hazardous Air Pollutants.

In January 2014, HUD approved a substantial amendment to New Jersey’s Action Plan that transferred \$15 million in funding allocated to an economic recovery program to a new Unsafe Structures Demolition Program. That investment was expected to fund between 500 and 750 demolitions. As State agencies have continued to work with affected municipalities to identify homes that require demolition, it has become apparent that initial investment likely will be insufficient to address communities’ need for demolitions. Nearly 1,300 homes have been

identified so far as potential targets for demolition under the program. Therefore, the State will commit additional funds to support this program.

The State incorporates the description of the Unsafe Structures Demolition Program in its Action Plan, as incorporated by Substantial Amendment No. 4, as amended, as well as all eligibility and other criteria, except to the extent modified by the language below.

Allocation for Activity: \$10,000,000

Eligibility Criteria:

- Property must be damaged by Superstorm Sandy.
- Property must be identified as an “unsafe structure” as defined by the New Jersey Department of Community Affairs, Division of Codes.

Eligibility for CDBG-DR: Section 105(a)(3); Section 105(a)(4); Section 105(a)(11)

National Objective: Low and moderate income area, housing and/or limited clientele; alleviate slums and blight; urgent need.

3.6.3 Code Enforcement & Zoning Program

Ensuring that homes are built safer and up to code is necessary to repair and rebuild the housing sector effectively. The State allocated \$6,000,000 of first tranche CDBG-DR funds to support code enforcement and zoning initiatives. Going forward, the State plans to continue to use CDBG-DR funds to supplement local code enforcement offices with additional personnel for tasks relating to the storm, as well as to address other costs ancillary or related to those tasks. In addition, DCA may seek to enhance its continuing education curriculum for code officials to include training in flood hazard mitigation practices and other storm-related code issues to increase capacity and expertise.

The State incorporates the description of the Code Enforcement and Zoning Program in its Action Plan, as amended, as well as all eligibility and other criteria, except to the extent modified by the language below:

Allocation for Activity: \$5,000,000

Maximum Award: Awards to municipalities will take the form of (i) state staff supplementing local building code officials, and/or (ii) grants to secure additional zoning office personnel directly according to assessed needs.

Eligibility Criteria: To be eligible for a zoning code enforcement grant, a municipality must be in one of the nine most-impacted counties and (i) have had at least one hundred property assessments reduced under N.J.S.A. 54:4-35.1 as a result of the storm, or (ii) have seen a 10 percent increase in zoning application filings since November 2012 that can be ascribed to Superstorm Sandy. To be eligible for

building code enforcement assistance, a municipality must demonstrate a backlog or code enforcement assistance need arising from Superstorm Sandy.

Eligibility for CDBG-DR: Section 105(a)(3)

National Objective: Low and moderate income area and/or housing; alleviate slums and blight; urgent need.

3.7 Planning, Oversight, and Monitoring

DCA as the State-designated grantee will oversee all activities and expenditures of the CDBG-DR funds through the Sandy Recovery Division. Existing State employees will be used and additional personnel and contractors have been hired to aid in the administration of, and to carry out, recovery programs. Not only will these personnel remain involved in ensuring that there are layers of financial control, they also will undertake administrative and monitoring activities to better assure compliance with applicable requirements, including, but not limited to, meeting the disaster threshold, eligibility, national objective compliance, fair housing, nondiscrimination, labor standards, environmental regulations, and procurement regulations at 24 CFR Part 85.

As with first tranche CDBG-DR funds, New Jersey has implemented the following oversight and monitoring processes, among others: proficient financial controls and procurement processes; adequate procedures to prevent any duplication of benefits as defined by Section 312 of the Stafford Act; processes to ensure timely expenditure of funds; comprehensive websites regarding all disaster recovery activities assisted with these funds; processes to detect and prevent waste, fraud, and abuse of funds; environmental and historic reviews on applicable projects; and processes ensuring all projects are compliant with the Uniform Act (relocation), Davis-Bacon and other labor standards, fair housing, Section 3, uniform administrative requirements at 24 CFR Part 85, and other applicable federal laws. The State also incorporates all of the oversight and monitoring processes and procedures described in the Action Plan.

DCA will maintain a high level of transparency and accountability by using a combination of risk analysis of programs and activities, desk reviews, site visits, and checklists modeled after HUD's Disaster Recovery Monitoring Checklists and existing monitoring checklists used in monitoring regular program activities. DCA will determine appropriate monitoring of grants, taking into account prior CDBG-DR grant administration performance, audit findings, as well as factors such as the complexity of the project. In accordance with New Jersey Executive Order No. 125, Accountability Officers have been appointed to oversee the responsible disbursement and utilization of federal reconstruction resources allocated by or through each department. Internal auditors will monitor and review for compliance with federal and state laws and regulations, and will report directly to the

Commissioner of DCA. Additional transparency and accountability measures are described in the Action Plan.

Some of the CDBG-DR funding will also be utilized to provide technical assistance to staff and subrecipients receiving CDBG-DR funds so that recovery programs will be implemented efficiently, effectively and in compliance with the federal, state and local regulations.

In response to ongoing needs for planning activities, second tranche funding has been allocated in order to guide long-term recovery and redevelopment at the local/regional level. Examples of planning studies include but are not limited to: community resiliency plans, enhanced GIS mapping as part of a municipal planning program, environmental design studies, sustainable designs for construction and reconstruction in flood hazard areas, economic development plans, zoning ordinances, and land development codes.

3.7.1 Planning Activities

The Post Sandy Planning Assistance Grant Program addresses ongoing planning needs resulting from Superstorm Sandy. These include allowing communities to develop community recovery plans that strategically address vulnerabilities exposed by the storm.

In furtherance of its mission to provide local government officials with the tools needed to help manage recovery plans and recovery planning projects, DCA created a local planning assistance program that supplements the ongoing efforts of storm-impacted local and county governments to rebuild and revitalize. This program is specifically designed to augment, not conflict with, other planning programs that units of local government may be utilizing as a result of Superstorm Sandy. Communities lacking pre-existing planning resources are particularly encouraged to participate in the program.

Based on demand, the State will dedicate second tranche CDBG-DR funds to provide additional support for this planning program. In addition to the funding currently being provided to municipalities, the State will set aside funding to enable communities facing unique or significant challenges to undertake more in-depth planning to find creative, practical solutions for more challenging issues. These planning activities may include, without limitation:

- Input from expert land use professionals;
- Insights regarding innovative solutions to the most complex real estate development challenges;
- Guidance for the future investment of CDBG-DR and other funds to address recovery; and

- Investigating the feasibility of mapping information that is needed to strategically plan for evacuations, locate emergency services, shelters and other disaster-related prerequisites.

In addition to the Post Sandy Planning Assistance Grant Program, the State has identified other statewide and regional planning needs relating to the recovery, including: (i) mapping of critical infrastructure; and (ii) flood risk reduction initiatives. Second tranche CDBG-DR funds dedicated to planning also will be used for these and similar types of statewide and regional planning initiatives.

As one example, the State is considering creating Virtual New Jersey (vNJ), a singular situational awareness and common operative picture platform for the State of New Jersey. Developed with forward-looking technology, vNJ could function as a cloud-based collaboration platform with a seamless mechanism to visualize and analyze disparate geographical information system (GIS) data layers maintained by both the private and public sectors.

Virtual New Jersey will enhance preparedness, planning, mitigation and response efforts by allowing access to and analysis of the same types of data sets (GIS; infrastructure; etc.) by a multitude of agencies. This data helps drive preparedness efforts, recommended mitigation actions, risk assessments and scenario-specific planning for events in an all hazards context. Creation of the vNJ platform would also significantly enhance the State's ability to prepare, respond and recover relative to a myriad of events in a coordinated manner. This will enable leadership to have the most comprehensive situational awareness to support accelerated short- and long-term problem solving.

Allocation for Activity: \$10,000,000

Maximum Award: Up to \$200,000 for individual municipal Post-Sandy Planning Assistance Grants; up to \$5,000,000 for statewide and regional planning activities.

Eligible Applicants: Municipalities; New Jersey departments, agencies and authorities; nonprofit organizations; universities and colleges.

(Note: DCA reserves the option to assist communities through direct contracts with nonprofit organizations and educational institutions who will work directly with communities under DCA Local Planning Services direction.)

Eligibility Criteria:

- Post Sandy Planning Assistance Program: Communities in the nine most-impacted counties. If demand, based on applications received, exceeds funding, preference will be given to communities with limited professional planning capacity on staff and communities with high ratable losses.

- Other Planning Activities: A governmental unit, nonprofit organization or university determined to be in need of planning support for statewide or regional recovery-related activities.

Criteria for Selection:

- Post Sandy Planning Assistance Program
 - Community's interest in pursuing planning activities to address post-Sandy issues
 - Ratable losses
 - Availability of other local resources to support planning efforts
 - Capacity of community to undertake planning activities without additional support.
- Other Planning Activities:
 - Coordinated statewide and/or regional planning activities to address unmet recovery-related planning needs.

Eligibility for CDBG-DR: Section 105(a)(12)

National Objective: Planning activity

3.7.2 Oversight and Monitoring Activities

DCA will continue to administer its programs following policies and procedures outlined in the Action Plan with respect to receipt of CDBG-DR funds. As the designated CDBG-DR funds grantee, DCA also will continue to oversee all activities and expenditures of the CDBG-DR funds. Existing state employees are providing this function, with support of other personnel and contractors hired specifically to aid in the administration of, and to carry out, recovery programs. These efforts ensure layers of financial control are in place, provide technical assistance to the State, and undertake administrative and monitoring activities to better assure compliance with applicable federal requirements, including without limitation: meeting the disaster threshold; eligibility; national objective compliance; fair housing; nondiscrimination; labor standards; environmental regulations; and procurement regulations at 24 CFR Part 85.

Allocation for Activity: \$73,000,000

Administration: DCA has established a Sandy Recovery Division (SRD) with more than 50 departmental and contracted staff. The SRD coordinates with existing DCA divisions and other state agencies to administer recovery programs. Tasks include providing overall program direction, financial controls, procurement, outreach and communications, compliance, information management, and recovery subject

matter expertise. DCA has developed process maps and program guidelines to direct the work of all staff and subrecipients for each program. Written procedures address cross-cutting topics such as Davis Bacon, fair housing, Section 3, financial management, and file management for disaster recovery. The recovery staff also provides technical assistance to grantees, and undertakes monitoring activities to ensure regulatory compliance.

Monitoring: The primary purpose of the State’s monitoring strategy is to ensure that all projects comply with applicable federal and state regulations and are effectively meeting stated goals and projected timelines. DCA staff will continue to perform monitoring in accordance with its CDBG-DR monitoring plan, maintaining a high level of transparency and accountability through a combination of risk analysis of programs and activities, desk reviews, site visits, and checklists modeled after HUD’s Disaster Recovery Monitoring Checklists and existing monitoring checklists used in monitoring regular program activities. All projects will be monitored on a schedule determined by the risk analysis, but at least once on-site during the life of the activity. The results of monitoring and audit activities will be reported to the Commissioner of DCA, and status of the grant programs are reported on two public websites: <http://nj.gov/comptroller/sandytransparency/> and <https://www.newjerseyrebuild.org/>. Both are updated regularly.

Monitoring will continue to address compliance with:

- CDBG-DR and other applicable regulations, such as fair housing, environmental, wage rates, and others
- Floodplain restrictions
- Applicant eligibility
- Restrictions on duplication of benefits.

Moreover, the State will continue to follow all monitoring processes identified in the Action Plan, including those created in response to New Jersey Executive Order 125 as well as state legislation.

Reporting: Each awarded applicant will continue to report information necessary and relevant to the status of its activities, and other information as required by HUD. Additional reporting requirements (e.g., annual audits, contractual obligations, labor and minority business enterprise reports, as applicable) are specified in contract documents.

Additional Steps to Avoid Occurrence of Fraud, Abuse and Mismanagement: The State will continue to follow all of the processes and procedures described in Section 6 of the Action Plan with respect to preventing and detecting waste, fraud

and abuse, including those steps required pursuant to New Jersey Executive Order 125 as well as state legislation.

3.8 Pre-Agreement Costs and Reimbursement

New Jersey will follow provisions of 24 CFR 570.489(b), and the Pre-Award CPD Guidance issued by HUD in July 2013, which permit the State to reimburse itself for otherwise allowable costs incurred by itself or its recipients, subgrantees, or subrecipients (including PHAs), or grantees on or after the incident date of the covered disaster.

SECTION 4: PERFORMANCE SCHEDULE

To satisfy HUD guidance in Federal Register Notice FR-5696-N-06, New Jersey will issue another proposed substantial amendment to provide detailed performance metrics regarding the allocation of second tranche CDBG-DR funds. The performance metrics will be based on quarterly expected expenditures and outcomes. Consistent with the Notice, this amendment will be prepared within 90 days of the date that New Jersey's proposed uses of second tranche CDBG-DR funds are approved by HUD.

To the extent that estimated and quantifiable performance outcome factors must be provided as part of this Substantial Amendment, Table 4-1 below sets out current estimated outcomes by second tranche funding category. These estimates are preliminary and likely will change. Factors that may affect performance measures include completing federally-required environmental and historical reviews, contractor availability, weather, and availability of other funding sources. These and other potential factors will be important in finalizing and meeting proposed performance metrics. The State anticipates that HUD will provide flexibility to extend timelines based on these and other relevant factors.

The State will also work closely with HUD to determine fund draw schedules consistent with implementation and construction schedules identified in the Action Plan. At this time, the State of New Jersey is committing 100 percent of its allocation from this tranche of CDBG-DR funding for the programs listed in this substantial amendment. The State is requesting that HUD obligate 55 percent of those funds as of the approval date of this Substantial Amendment.

Table 4-1: Projected Performance Metrics for CDBG-DR Second Tranche Programs

Program Category	Total Funding	Estimated Outcomes
Homeowner Housing	\$530,000,000	3400 Homeowners Assisted
Rental Housing	\$245,000,000	2200 Rental Units Assisted
Economic Development	\$5,000,000	70 Towns Assisted
Infrastructure	\$500,000,000	333 Infrastructure Projects
Support for Government Entities	\$100,000,000	58 Entities Assisted
Planning	\$10,000,000	70 Entities Assisted
Oversight, Monitoring, Technical Assistance	\$73,000,000	N/A
Total	\$1,463,000,000	

SECTION 5: OUTREACH AND PUBLIC COMMENT

Citizen participation through extensive public outreach is an essential component of the State's disaster recovery efforts. The State engages on a daily basis with citizens, stakeholder groups, local officials, non-profit groups, the federal government and other recovery partners about issues relating to the recovery.

The State undertook a coordinated outreach approach in order to determine how to best use second tranche CDBG-DR funds to identify and address unmet needs. These steps have included meetings between state government leaders and local elected officials, more than 40 meetings and conference calls with stakeholder groups held by the Governor's Office of Recovery and Rebuilding (GORR), the New Jersey Department of Community Affairs (DCA), the New Jersey Economic Development Authority (EDA), the New Jersey Department of Environmental Protection (DEP), the New Jersey Board of Public Utilities (BPU), the New Jersey Department of Transportation or other state agencies. GORR also briefed state legislative leadership staff and New Jersey Congressional delegation staff regarding remaining recovery needs and the use of second tranche CDBG-DR funds. Many of these efforts are described in more detail below.

Additionally, consistent with the requirements in Federal Register Notice FR-5696-N-06, the State held public hearings after making this Substantial Amendment available for public comment. The State has sought to partner with public universities and nonprofit groups in order to realize the objective and transparent public hearing process that encourages citizen engagement.

While HUD has required the State to hold at least one public hearing to solicit comments on this Substantial Amendment, the State held three public hearings at locations across the State. The dates, times and locations of the hearings were:

- February 11, 2014; Stockton College (Atlantic County); 101 Vera King Farris Drive, Galloway, NJ 08205; Performing Arts Center; 4-7 pm
- February 12, 2014; New Jersey Institute of Technology (Essex County); 150 Bleeker Street, Newark, NJ 07102; Campus Center; 5:30-8:30 pm
- February 21, 2014; Brookdale Community College (Monmouth County); Robert J. Collins Arena; 765 Newman Springs Road, Lincroft, NJ 07738; 4-7 pm

Comments on the Substantial Amendment were submitted on DCA's website (<http://www.state.nj.us/dca/announcements/approved/sandy.html>), by U.S. mail, and at the public hearings.

Separately, the State incorporates all other criteria referenced in Section 6 of the Action Plan. In addition, certifications remain the same as the Action Plan submission.

5.1 Citizen Participation Plan Requirements

In developing this Substantial Amendment, the State has complied with all citizen participation plan requirements, including those new requirements in Federal Register Notice FR-5696-N-06. These steps have included:

- The State has issued this Substantial Amendment and will make it available to the public for a comment period of no less than thirty days prior to its submission to HUD. DCA posted this Substantial Amendment prominently on its official website to afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the Substantial Amendment's contents.
- The State has conducted outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities.
- The State convened three public hearings regarding this Substantial Amendment to the Action Plan. Citizens and other stakeholders will be provided reasonable and timely access to information about the public hearings and to the hearings themselves.

Certain elements of the citizen participation requirements remain unchanged since the issuance of the State's Action Plan. In preparing this Substantial Amendment, the State has complied with these elements of the citizen participation requirements as well, which include the following:

- The State will notify the public that the Substantial Amendment is available for review and comment through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with community-based organizations.
- The State will make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency (LEP). As a part of the updates to the Citizen Participation Plan, the State updated its LEP analysis using the most recent Census data.

- The State will reach out to local nonprofit and civic organizations to disseminate information about and make available a copy of this Substantial Amendment.
- The State has considered, and will consider, all oral and written comments it has received on this Substantial Amendment.
- The State continues to make the Action Plan, all amendments, and all performance reports available to the public on its website and upon request.

The State shall provide citizens, local officials, and other stakeholders with reasonable and timely access to information and records relating to the Action Plan, this Substantial Amendment and the State's use of CDBG-DR funds. Notably, the text in Section 6 of the Action Plan that is not updated or replaced by this amendment remains valid.

5.2 Action Plan Amendment Outreach

As referenced above, the State remains engaged on a daily basis with citizens, stakeholder groups, local officials, non-profit groups, the federal government and other recovery partners about issues relating to the recovery. That said, with HUD's announcement of a second allocation of CDBG-DR funds to New Jersey, the State, consistent with federal requirements, outlined and executed an outreach plan specifically intended to address unmet needs remaining after Superstorm Sandy and determine how second tranche funds might be used to meet those needs.

The second tranche outreach began with four separate meetings in late November with mayors and other local officials across the nine most-impacted counties as determined by HUD. The meetings included an open dialogue between State cabinet officers and local government leaders about unmet needs across all impacted sectors. The discussions underscored the reality that unmet storm-related needs in New Jersey far exceed available recovery resources to address those needs.

In December and January, the State's departments and agencies held numerous meetings and conferences calls with stakeholder groups focused on how to best use second tranche CDBG-DR funds.

These meetings, held in December 2013 and January 2014, brought together groups representing a diverse array of organizations, government entities, nonprofit groups, advocates, and trade associations with either statewide presence, wide-ranging memberships or representing large networks of stakeholders. The list of stakeholder groups that engaged in the process is set forth below; a number of other groups were invited to participate but declined:

New Jersey Department of Community Affairs

- A Future With Hope
- American Red Cross
- Atlantic County Long Term Recovery Group
- Bayonne Economic Opportunity Foundation
- Bergen County Long Term Recovery Group
- Big Brothers and Big Sisters of Essex, Hudson, and Union Counties
- Cape May County Long Term Recovery Group
- Catholic Charities of Trenton
- Citadel Wellwood Urban Renewal LLC
- Community Investment Strategies
- Conifer Realty, LLC
- Cooperative Housing Corporation
- Cumberland County Long Term Recovery Group
- Diocesan Housing, Diocese of Camden
- East Orange Public Housing Authority
- Fair Share Housing Alliance
- Gateway Community Action Partnership
- Gil Berry & Associates, Inc.
- Holly City Development Corporation
- Housing and Community Development Network of New Jersey
- IMPACT Community Development Corporation
- Ironbound Community Corporation
- Irvington Public Housing Authority
- Jersey City Public Housing Authority
- La Casa de Don Pedro
- La Casa de Education y Cultura Latina
- Latino Action Network
- Legal Services of New Jersey
- Loving Care Homes
- Michaels Development
- Middlesex County Long Term Recovery Group
- Monmouth County Long Term Recovery Group
- New Jersey Apartment Association
- New Jersey Associations of REALTORS®
- New Jersey Community Capital
- New Jersey Property Owners Association
- New Jersey Urban Mayors' Association
- NJ HAND, Inc.
- North Ward Center

- Occupy Sandy
- Ocean County Long Term Recovery Group
- Pennrose Properties
- Plan Smart NJ
- Pleasantville Public Housing Authority
- Puertorriqueños Asociados for Community Organization, Inc.
- Regan Development
- Rehabco, Inc.
- RPM Development
- Servicios Latinos De Burlington County
- The Affordable Housing Alliance
- The American Institute of Architects New Jersey chapter
- The American Planning Association, New Jersey chapter
- The Corporation for Supportive Housing
- The Ingerman Group
- The Metro Company, LLC
- The New Jersey Country Planners Association
- The New Jersey Planning Officials
- The People's Pantry Relief Center in Toms River
- Trenton Public Housing Authority
- Urban League Affordable Housing & Community Development Corporation
- Urban Verde, Inc.
- Visitation Church Relief Center of Brick

New Jersey Economic Development Authority

- African American Chamber of Commerce
- Chamber of Commerce of Southern New Jersey
- Commerce and Industry Association
- Community Development Financial Institutions (CDFIs)
- Monmouth-Ocean Development Council
- National Federation of Independent Business (NFIB)
- New Jersey Bankers Association
- New Jersey Business and Industry Association
- New Jersey Restaurant Association
- New Jersey State Chamber of Commerce
- Statewide Hispanic Chamber of Commerce

New Jersey Department of Environmental Protection

- American Engineering Association
- Association of NJ Environmental Commissions
- Chemistry Council of New Jersey

- Clean Ocean Action
- Future City, Inc.
- Littoral Society
- Marine Trade Association
- Middlesex County Utilities Authority
- NJ Future
- NJ Society of Professional Engineers
- NY/NJ Baykeepers
- Professional Engineers Board

New Jersey Board of Public Utilities

- Association of Environmental Authorities
- Environmental Defense Fund
- First Energy Corporation/JCP&L
- Health Care Association of NJ
- NJ Hospital Association
- NJ Natural Gas
- NJ Resources
- SJ Industries

New Jersey Department of Transportation

- American Council of Engineering Companies
- Associated Construction Contractors of New Jersey
- New Jersey Alliance for Action
- Utility Transportation Contractors Association

GORR also met with the Association of Counties, League of Municipalities, and the Conference of Mayors, as the interests of those stakeholder groups crossed all state agencies engaged in outreach. In addition to these stakeholder outreach sessions, GORR briefed key state legislative staff on January 23, 2013, and as with the meetings with the mayors, the briefing with state legislative leadership staff focused on the State's unmet needs and how the State has leveraged available resources to meet those needs. GORR held a similar briefing on January 16, 2014 for members of the staff of New Jersey's Congressional delegation.

The State also will hold public hearings during the thirty-day public comment period for this Substantial Amendment. The State is committed to a robust and transparent public hearing process that emphasizes public engagement.

These CDBG-DR funding-specific outreach efforts augment other means used by the State to inform and engage the public on Sandy recovery issues. For example, the State routinely engages the media on recovery issues as a mechanism to keep the public informed. The Governor's monthly radio program, "Ask the Governor," is one

example of this effort. The State also has conducted mobile cabinets in many of the most-impacted communities. During the recovery, State departments and agencies also have made public service announcements over radio. Additionally, the State has issued dozens of Sandy-related press releases about recovery-related issues across all impacted sectors. Notably, press releases through the Governor's Office include distribution of fact sheets and press releases to Spanish language media outlets (e.g., Telemundo, Univision, News12 Spanish, etc.), three Asian language media outlets, one statewide African American magazine, and eight Jewish media outlets, which cover several affected counties. These are just some examples of ongoing outreach efforts. Additional examples of outreach efforts in connection with Sandy recovery are described in the Action Plan.

Furthermore, many state departments and agencies maintain websites with information specific to Sandy recovery. Examples include:

- The Governor's Office of Recovery and Rebuilding website (<http://nj.gov/gorr/>) contains information about recovery across impacted sectors and demonstrates the State's commitment to a holistic recovery approach that seeks to utilize all available recovery funding streams in a coordinated way.
- The New Jersey Department of Community Affairs website with a specific Sandy Recovery section (<http://www.nj.gov/dca/divisions/sandyrecovery/>), which can be translated into Spanish and multiple other languages using the Google translation tool. The Sandy Recovery webpages provide a direct link to Sandy-related recovery resources and are regularly updated with CDBG-DR information. The website is routinely updated with information related to programs, housing recovery centers, etc. Moreover, DCA maintains the sandy.recovery@dca.state.nj.us email address that is one mechanism for citizens to ask questions, make comments, or provide other input regarding recovery programs. DCA is able to provide answers in multiple languages as appropriate and necessary.
- The New Jersey Economic Development Authority maintains a website (<http://application.njeda.com/strongernjbusiness/default.aspx>) dedicated to information about the State's CDBG-DR funded economic programs.
- The New Jersey Department of Environmental Protection maintains a website (<http://www.state.nj.us/dep/special/hurricane-sandy/>) primarily dedicated to environmental issues and initiatives that arise in the recovery.

- Per New Jersey Executive Order 125, the New Jersey State Comptroller maintains a website (<http://nj.gov/comptroller/sandytransparency/>) that, among other things, provides information about Sandy-related government contracts and how federal Sandy recovery funds are expended.

Accessibility to Programs

New Jersey has taken measures to ensure that individuals with disabilities have access to programs and can provide comments on this Substantial Amendment. Moreover, program materials and outreach efforts follow prescribed guidelines to ensure access for individuals with disabilities. The State's Housing Recovery Centers are accessible to persons with physical impairments. Individuals may request auxiliary aids and service necessary for participation by contacting 1-855-SANDYHM (1-855-726-3946). They may also request materials in Braille and other formats for persons with visual impairments. The centers also provide remote (web- or phone-based) counseling for potential applicants who cannot reach the housing recovery centers due to their disability. The centers are equipped with personnel who can be deployed for home visits, particularly for elderly and disabled.

Limited English Proficiency Outreach

The State's outreach has included various communities that, based on Census tract data, have a significant proportion of minority residents and non-English speaking residents. As noted above, DCA updated its LEP analysis in January 2014 using more recent data available from the U.S. Census's American Communities Survey (ACS). At this time, it is believed that the Spanish-speaking population continues to be the only group that represents greater than 5 percent of the population in the nine affected counties. This was the same population indicated in the State's original LEP analysis and noted in the original Action Plan. In addition, and to ensure that all citizens have access to the State's recovery programs, DCA will continue efforts to identify those communities with concentrations of LEP households.

DCA continues to evaluate its language access plan (LAP) that involves the following components which provide a range of outreach services in Spanish. Translation into other languages is available upon request using the email address sandy.recovery@dca.state.nj.us. The LAP plan includes, but is not limited to:

- Translation of materials: the Action Plan, this and other substantial amendments, essential program materials, and press releases are translated into Spanish and can be translated into other languages upon request. DCA utilizes a native-speaking Spanish translator to routinely translate documents and to review the accuracy of translated materials related to essential program materials and press releases. The Spanish version of this Substantial Amendment will be available on the DCA website.
- The DCA website's Sandy Recovery section can be translated into Spanish and multiple other languages using the Google translation tool.
- Procurement of translators for public meetings;
- Provision of specific LEP assistance through public/stakeholder meetings and housing recovery centers;
- Provision of Public Service Announcements (PSAs) on TV and radio to disburse program information;
- Training staff on LEP as well as what is required under the LAP;
- Provision of multi-lingual phone lines as appropriate; and
- Monitoring and updating LAP as appropriate given updated U.S. Census and programmatic information on LEP populations.

DCA will continue to update the language access plan as necessary to address the LEP population.

5.2.1 Summary of Public Comment

Consistent with HUD requirements, this Substantial Amendment has been made available for public comment for a period of at least thirty (30) days. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.state.nj.us and by U.S. mail to Post Office Box 800, Trenton, New Jersey 08625-0800. The State also solicited public comments at three public hearings.

The State reviewed the public comments provided during the comment period. Per HUD guidelines, the State has synthesized those comments and provided responses. Notably, state departments and agencies are contacting commenters whose comments raised issues relating to their personal recovery efforts to provide information and assistance.

COMMENT 1
SUPPORT FOR STATE PROPOSALS

Various commenters expressed support for different components of the Action Plan Amendment.

Staff Response:

The State appreciates the support offered by commenters for the Action Plan Amendment.

COMMENT 2
INCREASING FUNDING ALLOCATIONS

Various commenters raised issues concerning the State's proposed second tranche funding allocations. These include commenters who asserted that: (i) more funding should be allocated to the RREM program and to other programs assisting homeowners; (ii) more funding should be allocated for buyouts; (iii) more funding should be allocated for elevations; (iv) more funding should be allocated to programs for rebuilding affordable rental housing and programs to directly assist renters; (v) more funding should be allocated for infrastructure programs; (vi) more funding should be allocated for planning; (vii) more funding should be allocated for hard hit municipalities and/or urban areas; (viii) second round funding should be allocated for additional direct assistance for businesses; (ix) funding should be allocated specifically for job training; (x) more funding should be allocated directly to support LMI households; (xi) more funding should be allocated to directly support middle class households; (xii) some funding should be prioritized exclusively to benefit minorities; and (xiii) more funding should be provided to particular communities including Atlantic City, Highlands, Hoboken, Little Egg Harbor and Middletown.

Staff Response:

As referenced in the Action Plan Amendment, the State has identified unmet needs across three core recovery sectors – housing, economic revitalization and infrastructure – that exceed \$19 billion. To address those unmet needs, the State is receiving \$1.463 billion in second tranche CDBG-DR recovery funds and, overall, the State projects to receive \$10-\$15 billion for recovery across all federal agency funding streams. At the outset of the disaster, the State identified more than \$36 billion in recovery needs arising from Sandy. Therefore, the State expects that billions of dollars in storm-related needs will never be satisfied in the recovery.

The State's decisions on how to allocate funding between programs, and on which programs to fund, should not be viewed as a statement that either unfunded initiatives, or initiatives where there is a need for more funding than

has been allocated, are not critical to recovery. Because unmet needs so far outpace available funding, the State must make difficult choices and balance diverse interests. Various considerations weigh into that determination. Among other things:

- The State's allocations reflect its holistic approach to recovery. As stated in the Action Plan Amendment, the recovery of each sector – housing, economic revitalization, infrastructure, health and social services, community operations and planning, and natural and cultural resources – depends on the recovery of all sectors. For example, the State's investment in housing and economic recovery needs to be protected by infrastructure investments that reduce the likelihood that rebuilt homes and businesses will be destroyed by the next severe weather event. Because tax increases would disincentivize property owners and business from rebuilding in affected communities, financial assistance is being provided to hard hit municipalities to offset the risk of storm-related tax increases. These are just two of many examples. Thus, in targeting limited CDBG-DR resources and other recovery resources, the State seeks to contemporaneously address all impacted sectors in a coordinated way with limited recovery resources.
- Given the above-described difference between needs and resources available to address those needs, the State's allocation of CDBG-DR resources across sectors is made in consideration of what other resources (federal, state, private, non-profit, philanthropic) can provide assistance within each sector. The State likewise must account for the statutory and regulatory authorities that place different boundaries on the use of CDBG-DR resources.
- With respect to allocating CDBG-DR resources within a sector, the State has used objective data and analyses. For example, data reflecting the severity of physical damage to properties sustained by homeowners and renters informs the State's allocation of funding to construction-related housing programs, as does the extent of the demand for those programs.
- The State has also taken into account the potential impact of its investments. Using the infrastructure example above, targeting limited funds to the infrastructure areas that experience the greatest vulnerabilities and damage can yield a meaningful return on investment. Similarly, making only a \$5 million commitment to tourism marketing (a comparatively small investment compared to the other sectors) can assist hundreds of businesses, employees of those businesses, and municipalities with budgets that rely substantially on tourism-related revenues. That can yield a meaningful return on a comparatively limited investment, particularly for

hard hit municipalities, and businesses in those communities, that are still recovering and could not take full advantage of the 2013 tourism season.

- The State has also carefully considered the input it receives from federal partners, local officials, non-profits, other stakeholder groups, and citizens. Importantly, this is not limited to the input received as part of the Action Plan Amendment process, detailed in Section 5, but also on the daily interactions the State has with these groups regarding ongoing recovery needs.

COMMENT 3

REDUCING FUNDING ALLOCATIONS

Commenters suggested that (i) no funding should be allocated for infrastructure programs; (ii) no funding should be allocated to tourism marketing in 2014; (iii) no funding should be allocated to support municipalities or for zoning and code enforcement assistance; and (iv) no funding should be allocated to developers for affordable housing projects.

Staff Response:

The State's decision to allocate funding to these four initiatives is a function of applying the considerations described in response to the previous comment.

As mentioned above, the State's investment in housing and economic recovery needs to be protected by infrastructure investments that reduce the likelihood that rebuilt homes and businesses will be destroyed by future severe weather events. Similarly, while various types of infrastructure sustained storm damage, energy and flood hazard risk reduction proved to be among the State's most significant vulnerabilities, which is why CDBG-DR funding is targeted to those needs.

With respect to tourism marketing, a \$5 million commitment to tourism marketing can assist hundreds of businesses, employees of those businesses, and municipalities with budgets that rely substantially on tourism-related revenues. This is particularly critical for hard hit, recovering municipalities, and businesses in those communities, which could not take full advantage of the 2013 tourism season because of the damage sustained as a result of Superstorm Sandy.

Among the frustrations and concerns regarding construction-related programs are delays associated with obtaining from municipalities necessary permits for construction. Some municipalities have challenges addressing the increase in demand for permits resulting from the need to rebuild from Superstorm Sandy. Investing in additional resources to expand municipal capacity and to provide technical assistance is intended to minimize delays caused by permitting.

Finally, Superstorm Sandy significantly reduced the availability of affordable rental housing in New Jersey and simultaneously increased significantly the demand for rental housing because of the number of households that were displaced. These factors combined to put upward pressure on rent at a time when many household budgets are strained by unanticipated storm-related expenses. Committing significant funding to developing affordable housing projects is critical to stabilizing and expanding the rental market and making rental housing more affordable.

COMMENT 4

FUNDING OUTSIDE THE NINE MOST-IMPACTED COUNTIES

Commenters requested that more CDBG-DR resources be targeted outside the nine most-impacted counties, and specifically be targeted to Hunterdon County, Burlington County, Cumberland County and Bayshore communities. One commenter asked whether this is a federal requirement that funds be targeted within the most-impacted counties.

Staff Response:

HUD Federal Register Notices FR-5696-N-01 and FR-5696-N-06 state that, at a minimum, 80 percent of all CDBG-DR funds must be spent in the nine most-impacted counties as determined by HUD (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union). As described in Appendix B to the Action Plan Amendment, the State currently projects that it will just satisfy the 80 percent requirement. This limits the State's ability to expend additional CDBG-DR assistance beyond the programs that currently can provide assistance beyond the nine counties.

That said, the State continues to leverage other federal funding streams – FEMA; Social Services Block Grants; Hazard Mitigation Program Grants; and Natural Resources Conservation Service funds, among others – to provide recovery assistance beyond the nine most-impacted counties.

COMMENT 5

FUNDING ALLOCATION BETWEEN CDBG-DR GRANTEES

Various commenters raised questions about HUD's process for allocating funding between grantees receiving second tranche CDBG-DR funds and the data used by HUD in applying its funding formula.

Staff Response:

HUD is given statutory discretion to develop an allocation methodology that proportionally allocates available CDBG-DR resources across eligible grantees. Appendix A to Federal Register Notice FR-5696-N-06 specifies the allocation

methodology that HUD chose to employ in determining the second allocation of CDBG-DR funds across New Jersey, New York State, New York City, Connecticut, Maryland, and Rhode Island. The methodology, criteria employed, and weighting of criteria were selected at HUD's discretion.

Prior to the second allocation of CDBG-DR funds, New Jersey provided HUD with potential considerations regarding challenges in assessing long-term infrastructure needs and opportunities to better capture infrastructure unmet needs to inform the methodology. For example:

- New Jersey requested that HUD consider unmet needs resulting from FEMA Public Assistance Categories A (debris removal) and B (emergency protective measures). FEMA's own allocation methodology for the Hazard Mitigation Grant Program (HMGP) is based partially on Category A and B data. Category A damages reflect longer-term recovery needs, including the removal of sediment from State channels through dredging. As the proposed Action Plan Amendment highlights, sediment is a threat to navigation (commercial, recreational, and community) and may exacerbate flooding and surge risk. In addition, Category A damages reflect New Jersey's long-term recovery needs with regard to landfill and debris management, as over 1,000,000 cubic yards of non-vegetative storm debris was disposed in New Jersey's landfills, reducing the life-span of New Jersey's solid waste disposal infrastructure. Lost landfill space will need to be replaced with either expansions of existing landfills or siting of new facilities, reflecting unmet infrastructure needs. Ultimately, however, as evidenced in Appendix A, HUD concluded that Categories A and B "are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used" and did not include these categories in the allocation methodology.
- New Jersey requested that HUD's allocation methodology account for significant differences in FEMA Public Assistance Categories C, D, E, F, and G between and among CDBG-DR grantees with regard to electric distribution systems and electrical grid hardening activities. While New Jersey's electric distribution systems are largely privately owned, and therefore not eligible for FEMA Public Assistance, other CDBG-DR grantees received significant FEMA Public Assistance funding addressing unmet needs of publicly owned power authorities. An allocation methodology that relied on this data would reward those CDBG-DR grantees that already received FEMA Public Assistance while not reflecting considerable unmet damages that will be borne by ratepayers, including vulnerable low and moderate income populations. Ultimately, HUD's Appendix A did not address this concern.

- New Jersey requested that HUD's allocation methodology account for the resilience and other needs of water and wastewater infrastructure. Specifically, the State requested that HUD consider – in addition to the allocation of Sandy recovery funds by U.S. Army Corps and U.S. Department of Transportation – the allocation of Sandy recovery funds by the U.S. Environmental Protection Agency. Ultimately, HUD's Appendix A addressed other Sandy recovery programs, but did not include programs administered by the U.S. Environmental Protection Agency.

COMMENT 6

ADDITIONAL FUNDING FOR NON-PROFITS, VOLUNTARY ORGANIZATIONS ACTIVE IN DISASTERS, AND LONG-TERM RECOVERY GROUPS

Commenters sought additional funding for non-profits to provide direct services to individuals, particularly with respect to health and social services initiatives. Other commenters sought funding for programs to be administered by voluntary organizations active in disasters (VOADs) and county long-term recovery groups (LTRGs).

Staff Response:

As part of the recovery effort, the State has sought to leverage various resources, including the non-profit community, VOADs and LTRGs, in providing assistance to affected New Jerseyans and in realizing critical recovery initiatives. As one example, the State has created a number of health and social services initiatives in response to Superstorm Sandy – particularly utilizing federal Social Services Block Grant funding – that incorporate non-profits into program delivery. Moreover, as described in the proposed Action Plan Amendment, the State plans to integrate the non-profit community in conducting outreach for the LMI Homeowners Rebuilding program. The State will continue to evaluate areas where non-profits, VOADs and LTRGs can be leveraged in the recovery, taking into account relevant issues and limitations such as those arising from applicable federal regulations, procurement limitations, and other compliance requirements.

COMMENT 7

UNMET NEEDS ASSESSMENT

Commenter questioned the use of data showing outstanding demand for existing state housing programs as a mechanism for showing the extent of unmet housing need in New Jersey.

Staff Response:

In this Action Plan Amendment, the State updated its unmet housing needs analysis using program waitlists and pipelines because unmet program demand,

in the form of waitlists or pipelines, provides recent, accurate and verifiable data on outstanding needs for assistance. Additionally, the comprehensive unmet housing needs analysis led the State to develop the programs in the Action Plan to be funded with first tranche CDBG-DR funds. It follows that the status of those programs should be considered to inform how the State assesses the allocation of second tranche CDBG-DR resources.

**COMMENT 8
TARGETING CDBG-DR RESOURCES**

Commenters stated that CDBG-DR resources are not being targeted to areas most in need of those resources and suggested that assistance be directed to communities in direct proportion to extent of damage sustained by those communities.

Staff Response:

The State disagrees with the commenters' assertion. The RREM program, for example, is intended to assist homeowners rebuild homes damaged by Superstorm Sandy and to prioritize first those homeowners whose homes sustained the greatest amount of damage. To ensure that funding is fairly apportioned where damage is greatest, even after randomization and prioritization of substantially damaged property owners, the State takes into account the comparative extent of damage sustained across counties to ensure funding is fairly apportioned across counties. Similarly, the scoring criteria for the NCR program, which focuses on economic revitalization in Sandy-impacted areas, expressly includes a scoring criterion focused on the extent of damage sustained by the community where the proposed project is located. These are just some examples of targeting assistance to most-impacted areas and households.

The basis for the commenters' concerns appears to relate to disbursement of monies through the Fund for Restoration of Large-Multi Family Housing program (FRM) and construction-focused rental programs. FRM programmatic details, including objective scoring criteria, are available here. The goal of the FRM program, as well as the other construction-focused rental programs, is to help stabilize and expand the rental housing market within the bounds of the nine most-impacted counties as quickly as possible. Sandy simultaneously decreased the supply of available affordable housing units and increased demand for rental units, both of which combined to put substantial upward pressure on rent prices for habitable rental units, making rental housing less affordable. As a result, the FRM program placed a premium on "shovel-ready" large multi-family projects within the nine most-impacted counties. (Along with location in the nine most-impacted counties, shovel-readiness is the most significant scoring criterion for first-tranche FRM projects.) The sooner

affordable rental units can be brought on-line, either in or near heavily impacted communities, the more quickly increased rental supply can help place some downward pressure on rent prices and make rental housing more affordable in the nine most-impacted counties. Practically, large multi-family affordable housing projects often require complicated financing; it takes time to get a potential project to the point of “shovel-ready.” Even with “shovel-ready” projects, actual construction of the projects generally takes considerable time. An approach that does not focus on “shovel-ready” projects within the nine most-impacted counties simply would extend the period of time renters are faced with higher prices when unanticipated storm-related expenses continue to put heavy strains on many household budgets.

With respect to FRM, focusing on that goal as well as other important objective criteria such as the affordability of units being created, municipal support for the project, whether the project is a mixed income project, and leveraging of other financial resources to realize the project, HMFA already has objectively scored project applications and distributed funding to the 36 highest-scoring projects. The State projects that this investment will create almost 2,500 affordable units across the nine most-impacted counties. As set forth in the Action Plan Amendment, unmet demand for this program is robust.

COMMENT 9

PACE OF RECOVERY

Several commenters expressed concern about the pace with which CDBG-DR funds are being disbursed.

Staff Response:

The State shares the commenters’ frustration with the challenges associated with the disbursement of CDBG-DR recovery funds. As has been made apparent through the recovery, funding can be disbursed within a few months of funding availability through programs that do not relate to construction. For example, the State was able to disburse relatively quickly more than \$180 million in Homeowner Resettlement program funds. Similarly, the State continues to disburse significant funding through the Working Families Living Expenses Voucher program (also known as SHRAP).

The experience with construction-related CDBG-DR programs is much different, however. The federal regulatory requirements associated with construction programs that are in place to prevent or detect waste, fraud and abuse often make the process exceedingly cumbersome. Using the RREM program as an example, before beginning work to rebuild a house, and applicant must have:

- Registered with FEMA for disaster assistance and proven the property is in one of the nine most-impacted counties as determined by HUD;
- Proven the property was his or her primary residence and that he or she lived there during Sandy;
- Verified his or her income level; and
- Completed a complex duplication of benefits (DOB) process in order to substantiate and verify that he or she still has an “unmet need” after accounting for funding receiving from private insurance, FEMA, SBA or other sources required by federal regulation to be considered for DOB.

After completing that step, the applicant must go through a lengthy inspection process, including:

- Assessment of what work needs to be done to the property;
- Two-tiered National Environmental Protection Act environmental review; and
- National Historical Preservation Act historical preservation review.

Once those processes are completed, but before the grant award can issue, there must be:

- A review of the work assessment and scope of needs for the rebuild for a “reasonable” determination of costs;
- A determination of the property amount of the grant award;
- Gap funding in place for any costs for the project not covered by the RREM grant because construction cannot begin until it can be shown that the project can be completed;
- Selection of a contractor to perform the work; and
- Escrowing funds required to complete the project, at which point construction can begin.

Failure to comply with federal regulations can permit the federal government to de-obligate (i.e., take back) the federal recovery funds needed for recovery. CDBG-DR funds are being obligated and disbursed in response to this disaster more quickly than in any previous disaster, nevertheless, because of the challenges resulting from the cumbersome regulatory process with which the State must comply, the State fully understands the frustration with the process.

Where possible the State has taken steps to expand and streamline programs while remaining in compliance with applicable statutes and regulations. Many examples of these efforts, whether in the housing, economic or social services

context, are described in these comment responses. The State continues to look for these opportunities.

With that said, the State recognizes that issues raised by various commenters relating to things like lost paperwork and lack of responsiveness or information provided by housing or business advisors, create unnecessary delays and frustration. DCA has continued to evaluate and implement processes to increase uniformity across document collection and filing efforts to reduce the risk of lost paperwork, to provide additional training to housing advisors and evaluate the effectiveness of individual advisors, and to improve customer service through quality assurance/quality control measures, among other things. In short, DCA hears commenters' concerns and frustrations with these parts of the recovery process, the State takes responsibility for making improvements in these areas, and the State will continue to take steps to make necessary improvements going forward.

**COMMENT 10
IMPLEMENTATION OF PROGRAM REQUIREMENTS**

Various commenters stated that program eligibility requirements across various programs, particularly environmental and historical reviews for construction projects, were too onerous and/or time-consuming, and result in unnecessary delay. One commenter requested that the State amend the Action Plan Amendment to include a system for expedited statewide environmental reviews.

Staff Response:

The State shares the commenters' frustration with time-consuming, onerous compliance requirements. However, as described in response to the previous comment, nearly all of these requirements, including environmental and historical reviews (and the method by which those reviews are completed), are required by federal statutes and regulations. Failure to comply with applicable federal statutes and regulations could result in the federal government de-obligating (i.e., taking back) the federal funding that is so crucial to New Jersey's recovery.

**COMMENT 11
TRANSPARENCY**

Various commenters requested enhancements to communication of information relating to recovery programs and enhanced transparency efforts. These comments included (i) providing more information regarding the RREM program wait list and likelihood of receiving funding, (ii) more information regarding program policies and criteria, policy changes and the distribution of program funds, (iii) more

information regarding the State's interaction with recovery vendors, and (iv) guidelines regarding Section 3 compliance.

Staff Response:

The State is committed to transparency in recovery and providing information necessary to allow individuals to make informed decisions regarding recovery programs. As recovery has progressed and issues have been identified by the State, by local officials, by stakeholder groups or by residents regarding transparency, the State has sought to address those issues, and it will continue to do so. There is no playbook for storm recovery; New Jersey has never had to respond to a disaster on the size and scale of Superstorm Sandy. As the State progresses in recovery and continues to obligate and disburse federal recovery funding, it will continue to examine ways to enhance transparency as it identifies issues and continues to receive input from all of its recovery partners. The State therefore appreciates all comments received on this subject.

To respond to specific transparency-related issues raised by various commenters, individuals on the RREM waitlist can contact DCA for information regarding where they are on the RREM waitlist. DCA will provide individuals with a range, rather than a specific number, because the waitlist is not static. Reasons waitlist status may change include: (i) applicant initially reported being LMI but upon income verification is determined to be non-LMI; (ii) applicant initially reported being "substantially damaged" but cannot validate that level of damage; or (iii) other applicants dropped out of the RREM program.

Some commenters expressed frustration that simply knowing their location on the waitlist is unhelpful; the critical information they need is whether and when they will be preliminarily approved for funding. With the second tranche of CDBG-DR funds, the State projects to serve approximately 3,000 applicants currently on the RREM waitlist. While the State would like to provide more certainty to the applicants remaining on the waitlist after second tranche funds are committed, the State does not know what additional funding may be made available in a third round of CDBG-DR funds that could be used for housing recovery. As a result, it is unfortunately the case that more clarity on funding waitlisted applicants is not available at this time.

CDBG-DR program information is available on the websites of state agencies administering the programs. Comments received on this subject generally appear to relate to the RREM program, the Fund for Restoration of Multi-Family Housing, and Neighborhood and Community Revitalization program. Therefore, with respect to those programs:

- RREM (DCA): Eligibility information, including lists of documents required to demonstrate satisfaction with program criteria and the process for rebuilding depending on whether an applicant chooses his or her own contractor or a state-supplied contractor, is available [here](#). Information on program policies and procedures is available [here](#).
- Fund for Restoration of Multi-Family Housing (HMFA): Information regarding program guidelines and scoring criteria is available [here](#).
- Neighborhood and Community Revitalization Program (EDA): Information regarding NCR program guidelines and project selection criteria for the three NCR initiatives is available [here](#).

Information about all Sandy-related contracts executed by State departments or agencies is available on the Office of the State Comptroller's Transparency site, available [here](#). The funds tracker on the website, available [here](#), continues to be updated and expanded as federal funds are administered and corresponding computer coding is developed to track the programs.

To the extent comments ask specifically for information about the termination of services provided by Hammerman & Gainer, Inc. (HGI) and initial steps moving forward to transition the process while avoiding an interruption in services, or to URS Corporation, the DCA Commissioner's February 24, 2014 testimony to the New Jersey Senate Legislative Oversight Committee on those and other recovery subjects is available [here](#) (testimony begins on page 48). Additionally, the State selection process for contractors follows established state procurement laws and the State's interactions with those contractors are governed by the terms of each contract.

Section 3 is a federal requirement that the State provide job training, employment, and contract opportunities for low- or very-low income residents in connection with certain projects and activities funded with CDBG-DR funds. Additional information regarding Section 3 is available [here](#). Each New Jersey program that implicates Section 3 requires compliance with that federal regulation, and the State continues to take necessary steps to enforce that requirement. Particularly as construction-related activities implicating Section 3 are ramping up, requiring a significant amount of oversight to ensure Section 3 compliance, the State continues to evaluate the cost-benefit of retaining a vendor and/or engaging the non-profit community and other stakeholders for additional assistance with ensuring Section 3 compliance.

COMMENT 12

PROCESSES & POLICY PAYMENTS FROM NFIP

Various commenters expressed frustrations with the National Flood Insurance Program (NFIP), particularly with respect to the process involved to receive insurance payments from NFIP or its providers and the payment amounts made under NFIP policies.

Staff Response:

The State understands policyholders' frustrations with the National Flood Insurance Program regarding the processing of claims and the distribution of payments, and has relayed those frustrations to its federal partners. However, the National Flood Insurance Program is a federal program over which the State has no authority or control.

On March 21, 2014, after the public comment period closed for the Action Plan Amendment, the U.S. Congress passed, and the President signed into law, the Grimm-Menendez Flood Insurance Act of 2014, which addresses and modifies various provisions of the Biggert-Waters Flood Insurance Act of 2012. The State is evaluating the impact of this legislation on its various recovery programs.

While commenters' frustration was directed generally at the National Flood Insurance Program, which the State does not regulate, the State, through its Department of Banking and Insurance, has taken considerable steps to work with the insurers it does regulate to ensure that claims to those insurers are efficiently and effectively closed. These include claims under homeowners, automobile and commercial policies, among others. To date, 99 percent of these claims have been closed.

To address instances where there were disputes between insurance companies and policyholders, the State established an insurance mediation program where disputed claims could be resolved. Three hundred and ninety-two claims, or 67 percent of matters that have gone to mediation to date have resulted in either a full or partial settlement. (Notably, the State invited the National Flood Insurance Program to voluntarily participate in this mediation program, but NFIP declined to participate in a meaningful capacity.)

COMMENT 13

FLOOD INSURANCE PREMIUMS AND FLOOD MAPS

Various commenters expressed concerns regarding the impact of rising insurance premiums on home values, alterations made to FEMA's flood maps, deed restrictions and the cost of home elevations.

Staff Response:

The State recognizes the significant cost of home elevations, which is why the RREM program will assist eligible homeowners by providing grants up to \$150,000 for activities including elevation. The RREM program prioritizes eligible homeowners whose primary residences were “substantially damaged” and need to elevate. The State will add \$390 million in funding to the RREM program which is projected to benefit approximately 3,000 homeowners currently on the program waitlist.

Additionally, the State committed \$100 million in FEMA Hazard Mitigation Grant Program funds to a separate program that provides grants up to \$30,000 to assist with the cost of home elevations. Among other things, that program prioritizes applicants based on the risk posed to their residences by future flooding events (i.e., how far the home is below FEMA’s best available elevation standard). Flood insurance monies received by individuals for “Increased Cost of Compliance” also can be used toward home elevations. While the State recognizes that demand for home elevations is substantial, given the significant and costly needs identified in other sectors that must also be addressed – particularly energy and flood hazard mitigation needs – there simply is not sufficient funding in this second tranche of CDBG-DR monies to allocate additional support for an elevation grant program.

Regarding the rising costs of flood insurance, by the Biggert-Waters Flood Insurance Reform Act of 2012, through that legislation the U.S. Congress eliminated the subsidy that significantly reduced flood insurance premiums for individuals residing in a flood plain, thereby adjusting premiums to be more closely associated with actual flood risk. The State had no say in the passage of this federal legislation and recognized the additional financial pressure it placed on individuals residing in a floodplain and that heightened insurance costs can reduce property values. Following Superstorm Sandy, the State has supported federal efforts to delay or lessen the phase-in of actuarial flood insurance rates while individuals are still recovering from the storm. The State also has advocated for changes to the federal law that would better account for its impact on many urban properties and historical properties that cannot be elevated to FEMA’s new best available floodplain standards.

On March 21, 2014, after the public comment period closed for the Action Plan Amendment, the U.S. Congress passed, and the President signed into law, the Grimm-Menendez Flood Insurance Act of 2014, which addresses and modifies various provisions of the Biggert-Waters Flood Insurance Act of 2012, including provisions regarding how flood insurance premiums are determined. The State is evaluating the impact of this legislation on its various recovery programs.

COMMENT 14
NFIP & STATE REBUILDING REQUIREMENTS

Commenter asserted that Sandy rebuilding standards are not consistent with NFIP requirements.

Staff Response:

The State disagrees with the commenter's assertion. State rebuilding standards are applied in concert with New Jersey's Uniform Construction Code (UCC), which regulations incorporate NFIP standards. The UCC, which is overseen by the New Jersey Department of Community Affairs and is administered locally by municipal construction officials, is largely based on the International Code Series, the flood provisions of which are deemed by FEMA to be consistent with minimum NFIP requirements for buildings. Given that all new, reconstructed, modified, substantially damaged and substantially improved buildings in New Jersey's flood hazard areas must meet the requirements of applicable state rebuilding standards and the UCC, the more stringent standards of these requirements always will apply. As a result, all new, reconstructed, modified, substantially damaged and substantially improved buildings in New Jersey meet or exceed the minimum standards of the NFIP.

The New Jersey Department of Community Affairs recently proposed regulatory amendments to the UCC. These amendments make specific reference to the need to comply with the requirements for flood resistant construction where the local flood plain administrator has made a finding that the proposed work constitutes a substantial improvement. This should help reduce confusion among residents and implementing officials and further ensure consistency with the minimum standards of the NFIP.

Moreover, to further reduce any potential confusion, the New Jersey Department of Environmental Protection, in consultation with the New Jersey Department of Community Affairs, is reviewing its Flood Hazard Area Control Act rules to ensure further consistency between these rules which overlap in the context of resilient rebuilding.

COMMENT 15
RAISING ELECTRICAL/MECHANICAL EQUIPMENT

Commenter expressed support for raising of electrical and mechanical equipment to higher elevations as a flood-proofing measure.

Staff Response:

Applicable federal regulations currently do not encourage investment of federal resources for these types of efforts. Property owners likely to be most interested

in such a program are those with residences that cannot be elevated above base flood elevations, including urban properties or historical properties. However, if a property owner accepts federal recovery funds to raise equipment – usually at a cost of a few thousand dollars – that construction activity implicates the federal regulatory requirement that flood insurance be carried on the property in perpetuity. And federal flood insurance rates under the NFIP also do not currently take into account the mitigation measure of raising equipment when setting insurance premiums.

Notably, the Grimm-Menendez Flood Insurance Act of 2014, signed into law on March 21, 2014, requires the administrator of NFIP to establish guidelines that provide alternative methods of mitigation other than elevation to reduce flood risk in residential building that cannot be elevated because of structural characteristics. The legislation does not describe any particular measures to be considered. Pursuant to the legislation, the NFIP administrator has one year to issue the guidelines.

COMMENT 16
FEMA RENTAL ASSISTANCE

Commenter raised concern that FEMA rental assistance would be ending in April 2014.

Staff Response:

Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act FEMA is authorized to provide financial or other assistance to individuals and households to respond to disaster-related housing needs “for a period not to exceed 18 months from the date of [the disaster] declaration.” The eighteen-month period for Superstorm Sandy ends on April 30, 2014.

On January 28, 2014, Governor Christie wrote President Obama requesting a six-month extension of this deadline based on the extensive devastation caused by Sandy and the continuing need for disaster housing assistance. FEMA responded on March 12, 2014, granting a four-month extension of direct housing assistance for homeowners living in FEMA-provided temporary housing units and at the former Fort Monmouth military base. FEMA denied the State’s request to extend other forms of financial assistance, including rental assistance.

The State has implemented other disaster relief programs to address the continuing needs of homeowners and renters, including the Working Families Living Expenses Voucher Program (also known as SHRAP). SHRAP provides housing stability for individuals and families still recovering financially from Superstorm Sandy by helping to offset mortgage, rent and specified recovery-related household expenses. The SHRAP program may assist households

currently benefitting from FEMA's financial assistance program after the FEMA program concludes.

COMMENT 17

RREM FUNDING DISTRIBUTION

Commenters asked about the amount of funding disbursed and number of households assisted thus far through the RREM program.

Staff Response:

The RREM program currently is funded with \$710 million from first tranche CDBG-DR funds. As of March 15, 2014, a total of 5,410 homeowners have been preliminarily approved for funds. Of these awardees, over 1,500 owners have signed grant awards, resulting in a commitment of approximately \$175 million in grant funds, and these owners are ready to begin the construction phase. Nearly \$60 million has been drawn down and expended in the program as of March 15, 2014, including funding for reimbursement of construction expenses to the fullest extent permitted by HUD. DCA is actively working with all applicants who have been preliminarily approved for funding or who have signed a grant award to move them through the RREM process.

COMMENT 18

RREM WAITLIST

Various commenters asked about the process for determining the RREM waitlist.

Staff Response:

RREM eligibility policies are contained in RREM policies and procedures, available [here](#).

The initial application period for the RREM program ran from May 24, 2013 through June 30, 2013. All applications received by June 30, 2013 were designated as Group 1. On July 1, in order to meet HUD's LMI requirements and address the LMI targeting priorities outlined in the State's Action Plan, all Group 1 applications were separated by self-attested LMI households and self-attested non-LMI households. Thereafter, all Group 1 applicants were assigned a number through an electronic randomization process. Using the ordering created by the electronic randomization, the two income groupings (LMI and non-LMI) were further prioritized by the extent of damage. Applicants who self-attested to substantial damage were prioritized ahead of those reporting non-substantial damage, in accordance with the criteria outlined in the Action Plan. (Importantly, in order to retain the location in the funding priority, applicants must later verify the self-attestation. This ensures that individuals could not self-attest to substantial damage, even if that were not the case, and receive funding

ahead of applicants with homes that did sustain substantial damage.) In addition, per DCA procedures, the State also worked to ensure that the distribution of assistance through the RREM program was meaningfully tied to the distribution of housing damage across the nine most-impacted counties (i.e., that, as a result of the randomization, the percentage of RREM program funds for applicants in a county was not substantially different than proportion to the percentage of damage sustained by that county as compared to the other eight most-impacted counties).

The second RREM application period was July 1, 2013 through August 1, 2013. Applications received during this second phase were considered Group 2. Each applicant from Group 2 received a sequential order number based on the exact date and time that the application was electronically submitted and logged by the system. That applicant then was added to the funding list at the bottom of the existing list with their same self-attested income level (LMI or non-LMI) and property damage. So, for example, if there were 3,000 LMI applicants in Group 1, 1,000 of which self-attested to substantial damage, and the first applicant filing on July 1, 2013 was LMI and substantially damaged, that applicant would be slotted in on the LMI list at number 1,001.

Regarding which applicants have been funded, consistent with the Action Plan the State committed 70 percent of first tranche RREM funds to serve eligible LMI applicants and 30 percent to serve eligible non-LMI applicants. The State then issued preliminary approvals to applicants on the LMI and non-LMI funding list in numeric order from the top of each list until first tranche funding was fully committed. With the initial funds, the State issued nearly 3,500 preliminary awards. Notably, the waitlist still contained Group 1 applicants after the first round of preliminary awards were issued. The State moved approximately 1,300 additional applicants from the waitlist after \$110 million of first tranche CDBG-DR funds was shifted from an economic program to the RREM program.

With second tranche RREM funds, the State will continue to preliminarily approve applicants in their numeric order until all second tranche CDBG-DR funds for RREM are committed, with a goal of targeting up to 50 percent of the funds for LMI applicants.

COMMENT 19
GRANT APPLICATION STATUS

Various commenters inquired into the status of their grant application, including questions regarding where they were situated on the RREM waitlist and the likelihood that recovery funding would reach them on the waitlist.

Staff Response:

The State has identified those commenters who raised issues specific to their recovery and will contact those commenters to provide information and assistance specific to their needs.

In response to requests by applicants regarding where they stand on the RREM program waitlist, DCA will identify for applicants the range within which their program application falls. The reason for using a range, and not a specific number, is that the waitlist is subject to fluctuation. For example, if an applicant drops out of the RREM program, applicants below that individual move up the waitlist. To inquire about the status of your application, please contact the program Call Center at 1-855-SANDYHM (1-855-726-3946) or click [here](#) for the contact information of the Housing Recovery Center nearest to you. Please have your application number available as a reference.

Regarding funding for individuals on the waitlist, with the commitment of \$390 million of second tranche CDBG-DR funds to the RREM program, the State projects to assist approximately 3,000 RREM applicants. Because there currently are 7,100 applicants on the waitlist, the State does not expect that it will have sufficient funding using second tranche CDBG-DR monies to address all applicants. It is possible that the State may be able to serve additional households with second tranche funds if, for example, the average RREM award is less than anticipated or if any applicants elect to withdraw from the program. However, it is not certain now whether that will be the case.

The State awaits guidance from HUD regarding whether and how much funding may be provided to New Jersey in a third tranche of CDBG-DR funding that could be used to address unmet housing needs.

COMMENT 20
RREM APPEALS PROCESS

Various commenters expressed concern about the percentage of applicants initially deemed ineligible for housing recovery programs that, upon appeal, were deemed eligible. Commenters asked that the appeals process be re-opened for homeowner programs. One commenter stated that the State should review all ineligible RREM applications regardless of whether or not an applicant takes advantage of the re-opened appeals process.

Staff Response:

The State built an appeals process into programs like the RREM program and the Homeowner Resettlement program in order to ensure that applicants incorrectly deemed ineligible would have a mechanism for challenging that determination such that, upon being deemed eligible, they would be placed in

the same position for funding that the applicant would have been in had the application been deemed eligible from the start.

In response to concerns regarding the appeals process, the State has extended the appeals period until March 31, 2014 for applicants initially deemed ineligible for RREM program or the Homeowner Resettlement program who did not appeal during the first appeals period. The State issued letters on or about February 10, 2014 to these applicants with information regarding the submission of appeals. Information about the appeals process and the forms required to submit an appeal also is available at www.renewjerseystronger.org.

COMMENT 21
RREM APPLICATION PERIOD

Various commenters indicated they were unaware of the RREM Program, or did not learn about the program until after the application deadlines had passed. Commenters recommended that the State re-open the application period for the RREM program.

Staff Response:

DCA did extensive outreach in connection with its homeowner programs in areas impacted by Superstorm Sandy, and emphasized reaching LMI communities. Among other things, during the two-month application period for the RREM program, LMI neighborhoods were canvassed with flyers and door hangers in many Sandy-impacted towns, including Atlantic City, Carteret, Jersey City, Keansburg, Little Egg Harbor Township, Long Branch, Union Beach and Wildwood. DCA also advertised the RREM program in newspapers and on radio stations, including Spanish-language outlets and outlets that serve LMI communities. In addition, DCA reached out to a diverse group of partner organizations that assist low- and moderate-income families. DCA also partnered with mayors and local officials to provide recovery information to affected communities, and numerous mobile cabinets also were held in various impacted communities. These are some examples of the considerable outreach during the more than two-month RREM application period.

That the State received more than 15,000 RREM applications of which more than 12,000 satisfied preliminary eligibility criteria speaks to the extent of outreach. There are currently more than 7,000 people on the RREM program waitlist and even with second tranche funding, the State projects that funds will not be sufficient to serve all waitlisted applicants.

Nevertheless, the State, in response to the public comments submitted to the proposed Action Plan Amendment and in consultation with HUD, has added to its plan the LMI Homeowners Rebuilding Program, to be funded initially with

\$40 million of second tranche CDBG-DR funds. This program will target LMI households that could have satisfied RREM eligibility criteria but did not submit an application during the ten-week RREM application period. Because the State remains committed to providing assistance to those households with the most limited financial resources and significant needs, and because the State projects that second tranche CDBG-DR funds will address the existing LMI RREM waitlist, the LMI Homeowners Rebuilding Program is intended to ensure that eligible vulnerable populations are served. Details regarding the program application process will be forthcoming, following HUD approval of the Action Plan Amendment.

COMMENT 22

IMPROVEMENTS TO RREM PROCESS; PROGRAM ELIGIBILITY REQUIREMENTS

Various commenters expressed concern regarding the RREM application process and the criteria for determining eligibility. Commenters also expressed the importance of streamlining the process so critical recovery funding could be more quickly distributed. Some commenters raised issues about lost paperwork, limited options for producing personal identification documents, challenges accessing program information, ineffective interactions with housing counselors where they did not receive responses to questions or received inconsistent responses, and delays in meeting with construction contractors. Another commenter stated that HUD-certified housing counselors should be available in the Housing Recovery Centers. Other commenters stated that various program eligibility requirements, particularly environmental and historical reviews for construction projects, were too onerous and time-consuming, and result in unnecessary delay. Another commenter stated that scope of work assessment should be more uniform across projects.

Staff Response:

The State shares the commenters' frustrations with the challenges associated with disbursing CDBG-DR recovery funds. As has been made apparent through the recovery, for programs that do not relate to construction, funds can be disbursed rather quickly. The State was able to disburse relatively quickly more than \$180 million in Homeowner Resettlement program funds. Similarly, the State continues to disburse significant funding through the Working Families Living Expenses Voucher program (also known as SHRAP), funded with federal Social Services Block Grant monies, which is helping homeowners and renters whose household budgets have been strained by costs associated with recovering from Sandy.

The experience with construction-related CDBG-DR programs is much different, however. The federal regulatory requirements associated with construction

programs that are in place to prevent or detect waste, fraud and abuse can make the process cumbersome. As is required, the RREM program was designed to ensure compliance by implementing requirements. Initial steps include confirming that an applicant has:

- Registered with FEMA for disaster assistance and proven the property is in one of the nine most-impacted counties as determined by HUD;
- Proven the property was his or her primary residence when Sandy struck;
- Verified his or her income level; and
- Completed a mandatory duplication of benefits (DOB) process in order to verify that he or she still has an "unmet need" after accounting for funding receiving from private insurance, FEMA, SBA or other sources required by federal regulation to be considered for DOB.

After completing that step, the applicant must go through a lengthy inspection process, including:

- Assessment of what work was completed and what needs to be done to the property;
- Lead and asbestos inspections;
- Two-tiered National Environmental Policy Protection Act environmental review; and
- National Historical Preservation Act historical preservation review.

Once those processes are completed, but before the grant award can issue, there must be:

- A review of the work assessment and scope of needs for the rebuild for a "reasonable" determination of costs;
- A determination of the grant award amount, in light of the work assessment and the initial DOB analysis;
- Gap funding in place for any costs for the project not covered by the RREM grant because construction cannot begin until it can be shown that the project can be completed; and
- Selection of a contractor to perform the work.

The federal government can de-obligate (i.e., take back) the federal recovery funds that residents need to recover if regulatory requirements are not satisfied.

That said, DCA recognizes that issues raised by various commenters such as lost paperwork, delays in meeting with construction contractors, increased

uniformity in scope of work assessments and lack of responsiveness or information provided by housing or business advisors create unnecessary delays and frustration. DCA has continued to work diligently to improve efficiency in document collection, reduce the risk of lost paperwork, provide additional training to advisors, evaluate the effectiveness of individual advisors, and to improve customer service through quality assurance/quality control measures. As DCA has transitioned from its previous contractor, DCA has taken a more extensive role in direct case management. As part of that case management, through the Supportive Services program, which is funded with first tranche CDBG-DR funds, DCA plans to incorporate HUD-certified housing counselors into the housing recovery effort to provide housing assistance and related services to individuals. In short, DCA hears commenters' concerns and frustrations with these parts of the recovery process, takes responsibility for making improvements in these areas and is actively trying to make those improvements.

Additionally, the State has pursued, and will continue to pursue, avenues to streamline and improve programs within the parameters of applicable rules and regulations. The State continues to work with HUD toward adjusting existing policies and pursuing waivers that will expand relief or will expedite or improve the rebuilding process. Some of these steps include allowing applicants to remain with or select their own contractor, pushing for maximum reimbursement allowance for construction expenses, providing for construction advances to homeowners to help pay for deposits and other out-of-pocket up front expenses, and streamlining document requirements.

COMMENT 23

REIMBURSEMENT FOR CONSTRUCTION COSTS

Various commenters inquired about whether they could be reimbursed for expenses incurred after date of application and before their application is approved. Commenters similarly expressed frustration with the fact that they cannot begin work pending receipt of grant funds.

Staff Response:

The State understands the reimbursement concern raised by the commenters. Initially, when the State opened the RREM application period, no reimbursement was permitted by HUD. The State repeatedly pressed for reconsideration of the reimbursement policy, and HUD did amend its policy to allow for the first time in any disaster recovery limited reimbursement of pre-award construction costs.

Based on the revised policy, HUD caps the period during which a homeowner or business-owner can receive reimbursement for eligible, pre-award construction costs at the earlier of (i) the date the applicant submits a CDBG-DR funded program application, or (ii) October 29, 2013. While the State appreciated this modification to HUD's initial preclusion of any reimbursement, the State has advocated for additional modifications. Specifically, the existing policy precludes homeowners and businesses waitlisted for construction-related funding programs from doing any recovery work, delaying their recovery and the recovery of their communities. Thus far, the reimbursement policy has not changed. It is the State's understanding that the federal policy is driven by federal regulations in 40 C.F.R. § 1506.1, and concerns that encouraging pre-award construction could negatively impact environmental conditions at the construction site.

COMMENT 24
RACE & ETHNICITY

Commenters expressed concern about the rate of African American and Latino applicants that were deemed ineligible pursuant to the RREM program criteria.

Staff Response:

Race and ethnicity play no role in RREM program eligibility determinations. The only reason that race and ethnicity is even requested as part of the RREM program application is because HUD requires that information to be captured as part of the application process. Moreover, applicants can elect not to designate race and ethnicity as part of the RREM application, and many RREM applicants elected not to do so.

The eligibility criteria established from the RREM program are purely objective, and are driven by the need to comply with federal requirements as well as giving effect to the State's intent to direct funding first to those who need assistance most.

No subjective criteria were used in determining RREM eligibility. The single most significant factor for deeming households ineligible for RREM program funding was inability to meet the minimum damage threshold (\$8,000 in physical damage or at least one foot of flooding on the first floor). Eighty-nine percent of African American households determined to be ineligible and 72 percent of Hispanic households determined to be ineligible was for not having met the minimum damage threshold.

COMMENT 25
SECOND HOMES

Various commenters expressed concern and frustration that CDBG-DR funds are not being used to address second homes damaged by Superstorm Sandy. Commenters stated that second homes would remain storm damaged and empty without reconstruction or rehabilitation assistance.

Staff Response:

While the State understands the concerns and frustration of secondary homeowners with properties affected by Superstorm Sandy, HUD's Federal Register Notice FR-5696-N-01 expressly prohibits using any CDBG-DR funds to assist second homes. Unless the second home is a year-round rental property (in which case assistance may be available through CDBG-DR funded renter programs), providing CDBG-DR assistance is federally prohibited. The State must comply with this requirement.

COMMENT 26
RREM & MOBILE HOMEOWNERS

Several commenters sought clarification on whether mobile/manufactured homes were eligible for RREM funding and requested that the State make allowances to assist mobile homeowners who received conflicting information during the RREM application period regarding whether mobile homeowners were eligible for RREM. Additionally, a commenter suggested that CDBG-DR funds be used to assist non-profits in developing two new mobile home communities for owners of mobile homes whose mobile home parks are no longer viable as a result of Superstorm Sandy.

Staff Response:

The State appreciates the comments received regarding the challenges facing Sandy-affected mobile homeowners, and the State takes seriously comments that some mobile homeowners received information during the RREM application process that led them not to apply to the RREM program, for which mobile/manufactured housing is eligible.

The State has identified a number of significant challenges to providing assistance to mobile homeowners, even through RREM. As one example, substantially damaged mobile homeowners – even those who applied for RREM – often may not be able to accept federal recovery funding because some mobile homes cannot be elevated. Cost reasonableness considerations also can create challenges. The State is working with relevant federal, state and local authorities to determine if regulatory challenges can be overcome.

That said, in response to the public comments submitted to the proposed Action Plan Amendment, the State has added to its plan the LMI Homeowners Rebuilding Program, to be funded initially with \$40 million of second tranche CDBG-DR funds. This program will target LMI households that could have satisfied the RREM eligibility criteria but did not submit an application during the ten-week RREM application period. As stated in the program description, DCA's outreach efforts across the nine most-impacted counties to encourage participation in the RREM program was substantial. Nevertheless, because the State remains committed to providing assistance to those households with the most limited financial resources and significant needs, and because the State projects that second tranche CDBG-DR funds will address the existing LMI RREM waitlist, this program is intended to ensure that the most vulnerable populations eligible for assistance are served. Details regarding the program application process will be forthcoming, following HUD approval of the Action Plan Amendment. Mobile homeowners who qualify as LMI households may benefit from this program, though the regulatory issues referenced above still may present recovery challenges.

While the State will evaluate the commenter's suggestion to create two new mobile home communities, the breadth of the State's unmet housing needs and the limited resources available to address those needs likely preclude such an initiative at this time.

COMMENT 27
SUBSTANTIAL DAMAGE REQUIREMENT

Commenters expressed concern that some RREM applicants will not receive awards because they could not meet the "substantial damage" threshold on account of the fact that they could not obtain a substantial damage letter from their municipal floodplain manager. Another commenter requested that the RREM application period be re-opened because some homeowners did not receive substantial damage letters.

Staff Response:

Given limited available recovery funds, the State has tried to target its financial resources first to those who are most in need. With respect to assisting homeowners, this means prioritizing homeowners for funding based on the extent of the damage to their primary residences. Homeowners whose homes sustained substantial damage receive first priority (i.e., damaging exceeding more than 50 percent of the home's pre-storm value). Homeowners who have not received a substantial damage determination are still eligible for RREM, provided that they meet all threshold eligibility criteria.

As indicated by the commenter, substantial damage is documented through a letter that must be issued by the local floodplain administrator for each municipality. While the issuance of substantial damage letters is officially controlled at the local level, DCA has provided resources to assist municipalities in that effort. Among other things, DCA sent out template substantial damage letters to local code officials and performed property reviews in several municipalities.

Moreover, in response to the public comments submitted to the proposed Action Plan Amendment, the State has added to its plan the LMI Homeowners Rebuilding Program, to be funded initially with \$40 million of second tranche CDBG-DR funds. This program will target LMI households that could have satisfied the RREM eligibility criteria but did not submit an application during the ten-week RREM application period. As stated in the program description, DCA's outreach efforts across the nine most-impacted counties to encourage participation in the RREM program was substantial. Nevertheless, because the State remains committed to providing assistance to those households with the most limited financial resources and significant needs, and because the State projects that second tranche CDBG-DR funds will address the existing LMI RREM waitlist, this program is intended to ensure that the most vulnerable populations eligible for assistance are served. Details regarding the program application process will be forthcoming, following HUD approval of the Action Plan Amendment. This new program may address the commenter's concern.

COMMENT 28**REDUCE SIZE OF RREM GRANT**

Commenter suggested that the State reduce the \$150,000 maximum grant amount for the RREM program in order to assist more homeowners through the RREM program.

Staff Response:

Although the maximum RREM grant award is \$150,000, many RREM applicants are receiving grant awards less than the maximum award because their "unmet need" does not amount to \$150,000. As of March 2014, the current average RREM award is approximately \$112,000.

Nevertheless, many households need the maximum \$150,000 RREM award to recover. Some households have more than \$150,000 in unmet needs, and before receiving any assistance through the RREM program, they must identify additional monies to satisfy that funding gap. Federal funds cannot be expended on a project if there are insufficient funds to bring the project to completion. As stated in the Action Plan Amendment, philanthropic dollars committed through

a “gap funding” program administered by the Community Development Financial Institution New Jersey Community Capital, with initial support of \$15 million, is one source that may be leveraged by homeowners to address funding gaps. Other private funding sources, including private loans, also may be available for housing construction needs above the maximum \$150,000 RREM grant.

Were the State to reduce the maximum RREM grant award, more significant funding gaps would exist and an additional burden would be placed on homeowners already struggling to find sufficient financing for rebuilding. Given these considerations, the State will not reduce the \$150,000 maximum grant award for the RREM program.

COMMENT 29
RREM INCOME THRESHOLD

Commenter stated that the \$250,000 adjusted gross income cap for RREM eligibility should be calculated by averaging adjusted gross income over a three-year period. Another commenter suggested that the \$250,000 adjusted gross income cap for RREM eligibility should be raised or eliminated.

Staff Response:

Given that unmet housing recovery needs far exceed available recovery resources, the State needed to establish criteria to ensure that program funding went first to those who needed funding most, meaning households that sustained the most damage and that have comparatively less means. Even with the \$250,000 adjusted gross income cap for RREM eligibility, RREM program demand exceeds available resources. Given the current demand for the RREM program the State will not change the \$250,000 adjusted gross income cap calculation for RREM eligibility at this time.

COMMENT 30
DESIGN COSTS

Commenter stated that design costs incurred in connection with rebuilding should be treated the same under the RREM program regardless of whether an applicant chooses his or her own contractor or elects to use a state-supplied contractor.

Staff Response:

Where individuals choose their own contractor (i.e., Pathway B), design costs incurred by the applicant can be reimbursed through the 15 percent contingency added to RREM awards. Where individuals elect to use a state-supplied contractor (i.e., Pathway C), the State manages the entire construction

process, including design, and design costs are covered as part of the RREM award.

COMMENT 31

HOME RECONSTRUCTION OPTIONS

Several commenters expressed that they were not given enough choice in the reconstruction of their home in the RREM program. One commenter suggested that many Sandy-affected homes should not be elevated, but rather should be demolished and new homes rebuilt.

Staff Response:

The RREM program seeks to provide applicants a choice in their unit size, materials, and finishes of their new home. However, federal requirements dictate that all costs incurred in rebuilding must be reasonable, necessary and customary. As a result, the State must carefully assess all construction cost items and ensure that the costs meet these standards. This requires estimating construction costs and grant awards assuming basic, moderate finishes, materials and unit sizes. Similarly, demolition and reconstruction of homes only can occur if doing so is determined to be reasonable and necessary, in compliance with federal regulations.

Within these constraints, homeowners are given a choice about whether to select their own contractor or work through a RREM-selected contractor. If a homeowner chooses to work with their own contractor or chooses a state-supplied contractor, they have flexibility to select the design and features of their home, although the RREM program can only pay for items that are basic and cost reasonable. Notably, if the owner will be reconstructing with a RREM-selected contractor, the owner may choose among dozens of designs, again provided that the desired design is cost reasonable under the circumstances.

COMMENT 32

DUPLEXES

Commenter asked whether duplexes were eligible for the RREM program.

Staff Response:

As long as a duplex is owned by the applicant and is the applicant's primary residence – and the applicant meets all other threshold RREM program criteria – the unit is eligible for the RREM program. Importantly, however, RREM funds cannot be used to rehabilitate any units in a duplex/multiplex that were a rental and therefore not occupied by the owner at the time of the storm. These units may be eligible for assistance under the Landlord Rental Repair Program (LRRP).

Generally, single family homes, owner-occupied units in multi-unit structures, owner-occupied units in mixed use structures and mobile/manufactured homes are eligible for the RREM program, as was indicated in the RREM application.

COMMENT 33

REBUILDING STICK BUILT OR MODULAR HOMES

Commenter stated that eligible RREM applicants should be able to use RREM grant funds to demolish their homes and rebuild stick built or modular homes.

Staff Response:

RREM grant funds can be used to rebuild stick-built or modular homes. It appears that the commenter's concern touches on federal "cost reasonableness" requirements, which does place boundaries on how individual structures can be rebuilt under the circumstances. The State must comply with those requirements. The State will seek to connect with the commenter for additional information so that the commenter's concern may be more fully addressed.

COMMENT 34

RREM PRICING STRUCTURE

Commenter stated that the RREM program would be improved by adopting a more accurate, reasonable pricing structure. Commenter expressed concern that the prices dictated to DCA by HUD are much lower than prices being paid in other states for identical programs, and that insurance, taxes, labor and material costs are greater in New Jersey, which the pricing structure should reflect.

Staff Response:

Other than a requirement for cost reasonableness, HUD does not dictate a price structure. A nationally recognized construction cost analysis system used by the industry and other states is used to predict and define "cost reasonable" construction costs. In addition, these costs were verified when all RREM pool contractors were asked to bid against the standard home specifications. These prices were averaged across dozens of contractors and used to create unit prices, and costs are localized and updated to reflect regional prices. The State includes a 15 percent contingency consideration in each grant to account for unanticipated variations that may exist in post-disaster construction.

The State determines the reasonable and necessary rebuilding cost of an individual home through an on-site inspection performed by an approved RREM contractor. The contractor records the damage and replacement/repair/reconstruction and elevation needs of each home.

COMMENT 35
RE-OPENING QUALIFIED CONTRACTOR POOL APPLICATION PROCESS

Commenter asked the State to reopen qualified contractor pool application process.

Staff Response:

The State held three rounds of applications between June and September of 2013 to allow contractors to submit requests for qualifications to be added to the Qualified Contractor Pool. These contractors responded to a publicly advertised Request for Qualifications, available [here](#). Following that process, 47 contractors became a part of the Qualified Contractor Pool for the RREM program. Given the significant percentage of applicants choosing their own contractor, the State does not anticipate there will be another Request for Qualification to enter into the Qualified Contractor Pool unless it is determined that there is insufficient capacity within that pool to address rebuilding needs. The State will continually review the need.

Because a significant percentage of eligible RREM applicants are electing to choose their own contractor rather than electing to use a state-supplied contractor, construction opportunities may be available to the commenter among the large RREM population not using state-supplied contractors.

COMMENT 36
USE OF CONTRACTORS IN REBUILDING

Commenter questions why it is necessary to secure contractors to build Sandy-funded housing when there are state workers available.

Staff Response:

The State's role in repairing or replacing housing damaged by Sandy is administrative. Per federal and state regulations, actual construction work must be performed by appropriately licensed, insured and bonded contractors.

COMMENT 37
MONITORING FUNDING

Commenter suggested that funding for oversight, monitoring, and technical assistance should be redirected to the RREM program.

Staff Response:

Complying with the level of monitoring and oversight required by state and federal laws in disaster recovery requires a significant investment of CDBG-DR resources for oversight and monitoring. The State has allocated slightly less than 5 percent of its aggregate CDBG-DR funds received for this purpose, and the cap

on CDBG-DR funding for these initiatives is federally set at 5 percent of aggregate funding.

COMMENT 38

RE-OPENING HOMEOWNER RESETTLEMENT APPLICATION

Commenters requested that the State re-open the application for the Homeowner Resettlement program.

Staff Response:

The State has provided \$10,000 Homeowner Resettlement grants to over 18,000 homeowners. These funds could be used for non-construction purposes, including costs of living expenses, rent, mortgage payments and insurance payments. As a condition of receiving the grant, the applicant certifies that he or she will continue to reside in their communities, helping stabilize communities affected by the storm.

The Working Families Living Expenses Voucher Program (also known as SHRAP), funded with federal Social Services Block Grant monies, is currently open and can provide assistance for homeowners and renters of up to \$15,000 to address expenses similar to that which was provided through the Homeowner Resettlement program. For that reason, and given the substantial unmet demand in the RREM program, the State will not re-open the Homeowner Resettlement program at this time.

COMMENT 39

USE OF HOMEOWNER RESETTLEMENT FUNDS

Commenter expressed concern that recipients of Homeowner Resettlement program funds are using those monies for construction on homes not damaged by Superstorm Sandy.

Staff Response:

Eligible uses of the \$10,000 Homeowner Resettlement grants provided through the program are described in each applicant's grant agreement. They include, among other things, addressing increases in insurance premiums or offsetting costs of having to pay both a mortgage and rent at the same time because of displacement resulting from Sandy. At least as described by the commenter, the construction-related uses referenced in the comment would violate the terms of the applicant's grant agreement. Each homeowner attests through a signed document that they will adhere to the proper use of the funds. Any known misconduct should be reported to DCA and the Office of the New Jersey Attorney General.

COMMENT 40

ASSISTANCE FOR HOMEOWNERS DISPLACED DURING CONSTRUCTION

Various commenters asked whether a program will assist homeowners who must vacate while their homes are under construction. Other commenters expressed concern about the costs of having to simultaneously make mortgage and rent payments.

Staff Response:

While temporary rental assistance was made available by FEMA for many displaced households, the State is aware that the program will expire and could cause a hardship for some households. The Working Families Living Expenses Voucher Program (also known as SHRAP), funded with federal Social Services Block Grant monies, is an open program that could provide the type of assistance sought by the commenters. The State has also amended the RREM program description to provide that temporary relocation may be considered as an eligible cost under the program. Funding provided through the Homeowner Resettlement program also could be used toward the costs described by the commenters.

COMMENT 41

FUNDING PRIORITIZATION BASED ON INSURANCE

Two commenters stated that housing recovery funding should be prioritized for Sandy-affected households that are uninsured. One commenter stated that insured individuals have sufficient funding to recover. A different commenter stated that no recovery funds should be provided to uninsured property owners.

Staff Response:

The State disagrees with the commenter's suggestion that all insured property owners have sufficient funding to recover. The duplication of benefits analysis the State has undertaken for RREM applicants who did carry flood insurance has shown that is not the case. The State also disagrees with the comment that affected, uninsured property owners should be cut-off from critical recovery assistance. As a result, the State will not amend criteria for its housing programs to incorporate a prioritization based on whether or not a property owner is insured.

COMMENT 42

VOUCHERS FOR HOMEOWNERS

Commenter requested housing vouchers for homeowners to help address storm-related costs.

Staff Response:

The State's Homeowner Resettlement program and the Working Families Living Expenses Voucher program (also known as SHRAP) provide financial assistance to eligible households, both of which are intended to address the financial concerns raised by the commenter.

COMMENT 43

HMGP ELEVATION PROGRAM WAITLIST

Commenters asked whether additional funds would be allocated to the HMGP Elevation program and expressed concern that the funding available through the elevation program was not sufficient to cover the entire cost of elevations. Commenters expressed concern about the HMGP Elevation program requirement precluding homeowners from undertaking any elevation work prior to receiving grant funds through the program.

Staff Response:

The HMGP Elevation program is not funded with HUD CDBG-Disaster Recovery funds, but rather is funded through FEMA monies made available pursuant to Section 404 of the Stafford Act. New Jersey's allocation of HMGP funds is based on a federal formula relating to the total cost of eligible FEMA Public Assistance projects submitted by the State in disaster recovery. If additional HMGP funds are provided to the State, the State will consider the commenters' suggestion in assessing how to allocate the funds.

The State understands the frustration of homeowners precluded from participating in the HMGP Elevation program because they began elevation work. Federal regulations currently require that no HMGP funding be provided to any homeowner who began elevation work prior to receiving grant funding, and prior to the completion of a federally required environmental review. The State must comply with those regulations. The HMGP program is administered by NJ Department of Environmental Protection and additional questions can be directed to that agency.

COMMENT 44

MODIFICATIONS TO NEIGHBORHOOD ENHANCEMENT PROGRAM

Commenter requested that the Neighborhood Enhancement Program (NEP) be modified to (i) make Community Development Financial Institutions (CDFIs) eligible program recipients, (ii) specify the amount of funding that may be expended through the NEP program on a per-unit basis, and (iii) increase NEP funding by \$10 million.

Staff Response:

The requests to make CDFIs eligible NEP recipients and to specify the amount of funding that may be expended through the NEP program on a per-unit basis has been integrated into the Action Plan Amendment submitted to HUD. Given the limited second tranche CDBG-DR funding available to the State and the many unmet needs across all sectors, the State will not increase the amount of second tranche CDBG-DR funds allocated at this time for NEP.

COMMENT 45

FUNDING FOR AFFORDABLE “FOR SALE” HOUSING; HMFA CHOICE PROGRAM

Commenter asked that CDBG-DR funding be used to promote affordable “for sale” housing, particularly in Ocean and Monmouth counties, and recommended that CDBG-DR funding be channeled into the HMFA CHOICE program.

Staff Response:

The State committed first tranche CDBG-DR funds for a homebuyer assistance program and the State is providing assistance through that program. While the State will evaluate the commenter’s suggestion regarding allocating additional funding to promote affordable “for sale” housing, the breadth of the State’s unmet housing needs and the limited resources available to address those needs likely preclude such an initiative at this time.

COMMENT 46

FUNDING FOR RENTAL HOUSING VOUCHERS

Several commenters expressed concern about the availability of Section 8 vouchers, and suggested that more vouchers are needed to directly assist renters displaced by the storm.

Staff Response:

The State’s proposed Substantial Amendment No. 6 would shift \$17 million of first tranche CDBG-DR funds from the Landlord Incentive Program (LIP) to a program that provides rental vouchers to very low income households for a period of up to two years. The \$17 million would be in addition to \$5 million in CDBG-DR funds used through the Supportive Services Program to address the cost of vouchers for very low income households through December 2013.

COMMENT 47

LOCAL INSPECTIONS OF RENTAL PROPERTIES

Two commenters expressed concern that local inspectors are focusing on owner-occupied units, at the expense of delaying the rehabilitation of rental units also

requiring inspections. One commenter also stated that municipalities that waived fees for homeowners also should do the same for landlords.

Staff Response:

Many recovery functions are carried out at the municipal level, including inspections and permitting pursuant to the provisions of the Uniform Construction Code. The Code requires all plans submitted for construction approvals be reviewed within a twenty-day period. If deficiencies are found subsequent reviews must be completed within ten days. Also, inspections must be scheduled within three days of a request for compliance inspections. These time limits apply regardless of the type of ownership (i.e., owner-occupied residence or rental property). Per these rules, DCA has and will continue to reiterate to municipalities that there should be equal treatment for all property owners.

The State also has sought to provide assistance to municipalities to ensure code requirements are met. For example, the State's Zoning and Code Enforcement program provides additional capacity to municipalities struggling to keep pace with the demand for zoning and code enforcement services as a result of the storm. The State also continues to offer technical assistance to municipalities.

The State has no jurisdiction regarding which applicable fees a municipality may or may not elect to waive. Those decisions fall exclusively within the discretion of each municipality.

COMMENT 48

LOW-INCOME HOUSING TAX CREDIT PROJECTS

Commenter expressed concern that leveraging CDBG-DR resources with low-income housing tax credits can exclude from a development tenants with income between 60% and 80% of Area Median Income (AMI) because of requirements imposed on the use of low-income housing tax credits, and stated that programs should expressly differentiate households at 60% of AMI and households at 80% of AMI.

Staff Response:

As stated above, the State's available recovery resources are far outpaced by recovery needs. Leveraging multiple funding sources together to realize critical recovery projects is therefore a crucial component to an effective recovery. As detailed in the Action Plan, Superstorm Sandy had a devastating impact on the supply of affordable rental housing. The storm both depleted the available stock of affordable rental housing and increased and concentrated the demand for rental housing, both of which placed upward pressure on rents for available housing stock, particularly within the most-impacted counties. As a result, the need to identify and support shovel-ready affordable housing projects that

would result in the development of affordable housing units and stabilize the rental markets as quickly as possible was critical. Leveraging CDBG-DR resources with low-income housing tax credits (LIHTCs) is critical to that process.

The LIHTC Program is intended to serve low income individuals and families and only the **units** with occupants at 60% or less of area median income (AMI) qualify for the actual tax credits. Not all units must be designated for tax credit purposes; and LIHTC **properties** can serve individuals of higher income levels in other units of the property. However, in order to maximize the tax credits, owners often choose to develop projects that entirely serve households at 50% to 60% of Area Median Income. In an effort to encourage income integration, the New Jersey Housing and Mortgage Finance Agency included mixed income housing as a priority in its selection criteria for the first tranche of FRM funds.

Additionally, use of the LIHTC program is not prerequisite to qualify for CDBG-DR funding through FRM. FRM funds also can be provided as stand-alone project financing. Other renter programs beside FRM, such as the Landlord Renter Repair Program and the Neighborhood Enhancement Program, also will be increasing rental stock in New Jersey for households with income less than or equal to 80 percent of AMI.

COMMENT 49
FRM PROGRAM

Commenter stated that FRM program funding cannot be used to rehabilitate damaged rental properties. Commenter also stated that there were no guidelines with respect to submitting FRM projects for consideration that leveraged 4% low income housing tax credits. Another commenter stated that second tranche FRM funds should be spent exclusively within the nine most-impacted counties. A commenter also requested additional information regarding the processes by which FRM projects to be funded using second tranche CDBG-DR funds would be selected, asked about publication of notices to apply for second tranche FRM funds, and requested technical assistance relating to the FRM program.

Staff Response:

Repair and rehabilitation of damaged existing multi-family properties is an eligible use of FRM funds. FRM program guidelines and scoring criteria are available on HMFA's website and can be accessed [here](#). HMFA received proposals from a number of potential projects seeking to leverage 4% LIHTCs. Based on HMFA's objective scoring criteria, available through the link above, some of these projects were obligated for funding and some projects remain in

the program pipeline. These projects will continue to be eligible in the second tranche of funding.

With first tranche CDBG-DR funds, the FRM program was not limited to the nine most-impacted counties, but one of the FRM program scoring criteria was location within the nine most-impacted counties. Once the proposed allocation of second tranche funding to FRM is approved, HMFA will consider potential modifications to its scoring criteria, in particular to account for the impact that first tranche projects will have on affordable housing needs.

HMFA is accepting applications for affordable housing projects eligible for FRM funding, and applicants requiring technical assistance in completing applications can contact HMFA. Information and notifications regarding the FRM program will continue to be made available on HMFA's website.

COMMENT 50

DEFINITION OF MITIGATION; PRIORITIZATION IN FRM'S PHA PROGRAM

Commenter asked about what expenses constitute eligible "mitigation" expenses for purposes of the public housing authorities (PHAs) component of the FRM program. Commenter also suggested that FRM funding reserved for public housing authorities prioritize funding for PHAs trying to complete projects within a HOPE VI revitalization area or a CHOICE Neighborhood.

Staff Response:

Mitigation measures such as generators, elevation of infrastructure and hardening of buildings are allowable costs under the program, as they relate to storm-damaged repairs. The PHA set-aside, like many other CDBG-DR programs, cannot address all of the resiliency and mitigation measures necessary for PHAs. In order to meet the most immediate need, the program will address mitigation associated with storm-damaged repairs. Notably, federal regulations require that all CDBG-DR funding expenditures be directly tied to an impact of Superstorm Sandy.

The State appreciates the commenter's programmatic suggestion regarding prioritization of second tranche CDBG-DR funds within FRM program. HMFA will consider this comment as it evaluates the use of second tranche funding to assist the recovery of PHAs, assuming the Action Plan Amendment allocating second tranche funding to that program is approved by HUD.

**COMMENT 51
PRIORITIZATION OF NEW RENTAL HOUSING FOR SANDY-AFFECTED
HOUSEHOLDS**

Commenter stated that Sandy-affected households should receive priority for the new affordable rental housing units created through projects using CDBG-DR recovery funds.

Staff Response:

Developers with projects leveraging CDBG-DR funds must certify that they will give a priority to Sandy-affected households during the first ninety days that leasing is available.

**COMMENT 52
SPECIAL NEEDS HOUSING FUNDING**

Commenter stated that additional funding should not be directed for special needs housing, and that special needs housing should be addressed through state funds as opposed to federal recovery funds.

Staff Response:

The State disagrees with the commenter's assertion. As detailed in the State's Action Plan, Superstorm Sandy had a devastating effect on vulnerable populations, including households with individuals having special needs. There has been robust demand for the State's Special Needs Housing program, and as detailed in the Action Plan Amendment, the State expects that demand will continue. The State will use second tranche CDBG-DR funds to continue to support housing for special needs populations, which the State considers to be a critical recovery priority.

**COMMENT 53
CLIMATE CHANGE AND SEA LEVEL RISE**

Commenters asserted that the Action Plan Amendment does not sufficiently account for risks associated with climate change, sea level rise, adaptation and mitigation planning, and that the mechanisms to evaluate sea level rise identified in the Action Plan Amendment are not adequate.

Staff Response:

The proposed Action Plan Amendment supports efforts to ensure that critical facilities are more resilient in the face of future severe weather events and better able to withstand potential future sea level rise and other hazards. Consistent with the requirements set forth by HUD in the Federal Register (FR-5696-N-06), the State is employing a science-based risk analysis to analyze

forward-looking risks and to inform the selection of potential infrastructure projects.

The proposed Action Plan Amendment incorporates a comprehensive risk analysis framework for selecting projects that includes a forward-looking analysis of a range of hazards like storm surge, flooding, man-induced hazards (e.g., cyber security), and climate change. The proposed Action Plan Amendment expressly recognizes the National Oceanic and Atmospheric Administration's analysis of future potential conditions and provides that the State will make use of the federal government's available electronic tools, including the Sea Level Rise Tool for Sandy Recovery, that address climate change to assess the potential long-term efficacy and fiscal sustainability of specific risk-reduction measures and improvements using CDBG-DR funding.

COMMENT 54

COASTAL MANAGEMENT AND WATER SUPPLY MASTER PLAN

Commenter expressed concern about the status of coastal management initiatives and stated that the State should consider programmatic tools in the water supply master plan as part of the risk analysis.

Staff Response:

The proposed Action Plan Amendment includes a comprehensive risk analysis framework that leverages the expertise of the State's subject matter experts as well as available reports, analyses, and tools to inform infrastructure investment. Once the proposed Plan is approved by HUD, the State will develop programmatic details and requirements that will guide program delivery. Programmatic details and requirements will be informed by the State's ongoing work, including data and information collected – and planning tools developed – in the course of the long-term recovery process and as part of the State's administration of environmental infrastructure, coastal management, and other programs.

COMMENT 55

PRIORITIZING EXISTING FLOOD HAZARD MITIGATION PROJECTS

Commenter stated that projects relating to storm surge and flooding that existed prior to being damaged or destroyed by Sandy should be prioritized in receiving funding through the proposed infrastructure programs.

Staff Response:

As part of an ongoing risk assessment following Superstorm Sandy, the State has undertaken considerable efforts to evaluate New Jersey's existing and future flood plain and storm surge risk, identify communities and regions highly

vulnerable to flooding and storm surge, and consider and develop designs for short- and long-term infrastructure measures or improvements that can blunt storm surge and reduce flood risk. Specifically, New Jersey has focused on comprehensively identifying and cataloging the sources of flooding in repetitive flood communities, including communities with recurrent or chronic rainfall- or tidal-induced flooding. In addition, the State has engaged six universities to develop flood mitigation strategies, including new resilient technologies, which could be deployed throughout the State.

The proposed Action Plan Amendment recognizes opportunities to harden existing infrastructure and to take steps to increase the effectiveness of existing mitigation measures. For example, the description of the proposed Flood Hazard Risk Reduction & Resiliency Measures Program identifies minor drainage improvements – including clearing “bottlenecks in drainage systems, accumulated debris, and overgrowth,” which can reduce the impact of flooding and surge – as a possible target of the program. Similarly, the proposed New Jersey Energy Resilience Bank “can provide critical facilities with assistance in identifying opportunities to retrofit existing technology to make the technology more resilient.” Ultimately, the identification and selection of infrastructure projects in the distribution of CDBG-DR funds will be based on a comprehensive risk analysis and programmatic details which will be developed further once the proposed Action Plan Amendment is approved by HUD.

COMMENT 56
GREEN INFRASTRUCTURE

Commenter stated that the State’s infrastructure recovery should focus on green infrastructure initiatives that act as natural barriers to potential impacts from future severe weather events, and another commenter stated that funds should prioritize using green infrastructure to improve stormwater management.

Staff Response:

The State is encouraging the use of nature-based solutions to reduce risk from flooding and storm surge. As highlighted in the proposed Action Plan Amendment, New Jersey has adopted rules that enhance coastal protection by simplifying permitting processes to encourage sand fencing, maintenance of engineered beaches and dunes to design levels, and more widely adopting “living shorelines” – projects that utilize strategic placement of native vegetation, sand, organic materials, and oysters, clams, and mussels to reinforce shorelines and prevent flooding naturally. The State is also studying the efficacy and potential benefits of nature-based infrastructure. For example, through collaboration with Stockton College, the State is evaluating the potential of wetlands restoration to reduce wave height. As stated in the proposed Action

Plan Amendment, nature-based infrastructure will be considered where possible, reasonably practical, and cost-effective.

Using an initial allocation of \$100 million in FEMA Hazard Mitigation Grant Program funds, the State has begun purchasing homes in repetitive flood loss areas. An additional \$9.4 million provided to the State by the USDA will be used to purchase 33 homes in Cumberland County. The proposed Action Plan Amendment also would allocate an additional \$100 million in second round CDBG-DR funds to support the Sandy Blue Acres Buyout Program. In addition to moving people out of harm's way, these buyouts will convert properties to open space, allowing communities to build natural systems designed to absorb flood waters from future storms. Buyouts also may enable state and local governments to create or expand public recreation areas, wetlands, forests and wildlife management areas.

The proposed Action Plan Amendment's Flood Hazard Risk Reduction & Resiliency Measures Program would require that nature-based solutions be considered in designing flood risk reduction measures to be supported through CDBG-DR funding. Such measures may have the potential to not only blunt the impact of storm surges and flooding, but also preserve ecological functions, provide wildlife habitats, and foster balance between natural and built environments.

COMMENT 57

PUBLIC EDUCATION ON CLIMATE CHANGE AND NATIONAL CARBON TAX

Commenter expressed support for additional education for the public on the impacts of climate change as well as national legislation imposing a carbon tax.

Staff Response:

The State continues to work with municipalities, counties, and stakeholders to share detailed information on risks based on historic trends and forward-looking analysis. For example, on March 11, 2014, the State published for public comment a draft of the New Jersey Hazard Mitigation Plan which analyzes New Jersey's risk from a wide range of hazards, including extreme weather events, drought, earthquakes, terrorism, cyber attacks, and other man-made and weather-related hazards. Consistent with FEMA guidelines, the draft Plan specifically references the risk of coastal erosion from sea level rise and other potential impacts from climate change that may confront New Jersey. The Plan can be used to support local planning efforts. Similarly, the proposed Action Plan Amendment contemplates additional resources for local and statewide planning efforts, including a "Virtual New Jersey" mapping platform that can better inform risk. The federal government also offers a range of tools, including the

National Oceanic and Atmospheric Administration's Sea Level Rise Tool for Sandy Recovery, that can be used to educate communities and individuals on the potential localized impact of forward-looking risks, including climate change.

To the extent commenter expressed support for national legislation, the comment is better directed to federal representatives.

COMMENT 58

SHARING INFRASTRUCTURE DATA AND ANALYSIS

Commenters requested that infrastructure-related data collection and analyses, particularly to the extent they relate to climate change and sea level rise, be made publicly available.

Staff Response:

Both the state and federal government already make available a substantial body of data regarding the location of infrastructure, vulnerability and risks to infrastructure systems, and other related analyses. In addition, in March 2014, the State submitted to FEMA a draft of the New Jersey Hazard Mitigation Plan which identifies and summarizes risks to infrastructure systems in light of a range of forward-looking hazards. The State will continue to make relevant infrastructure data available, to the extent that doing so does not 1) implicate any state or national security considerations, including those security considerations expressly outlined in state and federal laws, regulations, policies, or similar authorities, and provided that there are no legal or other similar impediments to publication; 2) create any concerns for protecting the privacy of applicants on sensitive information that may be required in application processes while such programs are still being implemented.

COMMENT 59

FRACKING AND RENEWABLE ENERGY

Commenter raised concern about fracking waste and waste disposal in connection with recovery initiatives, and stressed that recovery initiatives should focus on renewable energy.

Staff Response:

The Action Plan Amendment proposes the creation of the New Jersey Energy Resilience Bank to support energy resilience at critical facilities throughout New Jersey. The proposed Energy Resilience Bank will be technology agnostic and support a wide-range of distributed generation technologies, including combined heat and power, fuel cells, and solar. As noted in the Proposed Action Plan Amendment, the Energy Resilience Bank will consider renewable energy and other clean energy solutions where possible, including solar, wind,

geothermal, and sustainable biomass technologies. As it relates to recovery initiatives, the State will address waste disposal in a manner consistent with all applicable federal and state laws and regulations.

COMMENT 60
MEANING OF RESILIENCY

Commenter raised a question regarding the meaning of the word “resiliency” as used in the Action Plan Amendment.

Staff Response:

The Hurricane Sandy Rebuilding Task Force’s Rebuilding Strategy defines “resilience” as “[t]he ability to prepare for and adapt to changing conditions and withstand and recover rapidly from disruptions.” Federal Register Notice FR-5696-N-06 expressly recognizes that, “[c]onsistent with the Rebuilding Strategy, it is essential to build back stronger and more resilient” and states that the second allocation provides funding “to support investments in mitigation and resilience and directs grantees to undertake comprehensive planning to promote regional resilience as part of the recovery effort.”

As evidenced by the proposed Action Plan Amendment, New Jersey is committed to building back stronger and more resilient and has endeavored to incorporate mitigation and resilience strategies into every aspect of the long-term recovery. The proposed Action Plan Amendment continues to support various mitigation and resiliency efforts, including home elevations, buyouts of flood-prone properties, energy resilience projects, and flood hazard risk reduction and resiliency measures as well as local, regional, and statewide planning efforts. In addition, the State intends to apply CDBG-DR funds to satisfy match obligations to support existing and future resilience projects that are being undertaken by State agencies in partnership with the various federal funding agencies.

COMMENT 61
MEANING OF PERFORMANCE RESILIENCE STANDARDS; COMPREHENSIVE RISK ANALYSIS

Commenter raised a question about the meaning of the term “performance resilience standards” as used in the Action Plan Amendment and proposed that the comprehensive risk analysis be separately published for public review and comment, with particular focus on details surrounding the cost-benefit analysis, accounting for future maintenance costs, and how evaluations of the cost-effectiveness of green infrastructure were considered.

Staff Response:

Consistent with the President's Hurricane Sandy Rebuilding Strategy and the requirements set forth by HUD in the Federal Register (FR-5696-N-06), the State will develop and apply resilience performance standards to each infrastructure project funded with CDBG-DR funds. The President's Hurricane Sandy Rebuilding Strategy notes that "[p]erformance standards might include criteria for how strong of a storm systems should be able to withstand and how long different types of customers (e.g., hospitals, transit systems, gas stations) can be without power." The proposed Action Plan Amendment also notes that the State will develop cost-benefit analyses and other metrics to assess the effectiveness of infrastructure investment.

Resilience performance standards, cost-benefit analyses, and other appropriate metrics will be developed by state agencies responsible for administering New Jersey's CDBG-DR funded infrastructure programs. The proposed Action Plan Amendment's Flood Hazard Risk Reduction & Resiliency Measures Program would rely, to the extent possible, on performance standards and cost-benefit methodologies already developed by the Army Corps, DEP, and other experts in the field. In connection with the New Jersey Energy Resilience Bank, the New Jersey Board of Public Utilities (BPU) would develop resilience performance standards by relying on information available through the State's ongoing collaboration with the U.S. Department of Energy and other stakeholders.

COMMENT 62**DUNES AND INLAND WATERWAY PROTECTIONS**

Commenters expressed support (i) for building dunes to protect against future storms and (ii) for the dredging of lagoons in bay areas. Commenter asked about additional protections being considered to address flooding caused by inland waterways and requested that these protections be given funding priority in the Flood Hazard Risk Reduction and Resiliency Measures program.

Staff Response:

As highlighted in New Jersey's proposed Action Plan Amendment, the State and local communities have identified short- and long-term opportunities to reduce risk from rainfall- or tidal-induced flooding through a variety of potential risk reduction measures, including sand dunes, berms, tidal gates, and nature-based infrastructure systems. The State would also consider the dredging of coastal lakes, lagoons, and other bodies of water to appropriately address risk. The proposed Action Plan Amendment also notes ways that the State is collaborating with the U.S. Army Corps to support ongoing beach and dune construction

projects and to identify other opportunities to reduce risk in communities with chronic or recurring flooding.

Projects that reduce risk to life, property and infrastructure would be considered for funding through the proposed Flood Hazard Risk Reduction & Resiliency Measures Program. Prioritization of projects in the distribution of CDBG-DR funds will be addressed programmatically once HUD approves the State's proposed Action Plan Amendment.

COMMENT 63
BEACH REPLENISHMENT AND DUNES

Commenter stated that beach replenishment and dune construction will not fully protect coastal areas and will worsen back bay flooding.

Staff Response:

The State is performing a comprehensive review of opportunities to reduce flooding and storm surge in repetitive loss communities and other areas of the State that experienced significant loss from Superstorm Sandy through collaborations with six universities and in partnership with the U.S. Army Corps of Engineers. New Jersey and U.S. Army Corps of Engineers are examining the efficacy of risk reduction measures and opportunities to improve effectiveness of risk reduction measures through a layered approach to flood risk reduction. The proposed Flood Hazard Risk Reduction & Resiliency Measures Program would consider regional impacts of risk reduction measures, including water displacement and impacts of certain risk reduction measures on back bay communities.

COMMENT 64
NON-FEDERAL COST SHARE AND HUD INFRASTRUCTURE REQUIREMENTS

Commenter asked about which specific projects that require a non-federal cost share will be addressed through the proposed non-federal cost share (match) program and sought specification on which of these projects constitute "major infrastructure projects" as defined by HUD in the Federal Register Notice.

Staff Response:

The proposed Action Plan Amendment's State and Local Non-Federal Cost Shares (Match) program contemplates use of CDBG-DR funds as a match to repair or construct a wide range of eligible infrastructure projects, relating to: emergency protective measures such as demolition and removal of health and safety hazards; debris removal; roads and bridges; dams, reservoirs, and levees; public buildings; water and wastewater treatment plants and delivery systems; power generation and distribution facilities; sewage collection systems and

treatment plants; water lines and systems; telecommunication systems; and parks/beaches/recreational facilities. Eligible projects must carry a non-federal cost share and must be an eligible CDBG-DR activity. The State is awaiting additional guidance from HUD on whether, and to what extent, the infrastructure guidelines included in Federal Register Notice FR-5696-N-06 apply to match projects, as the Federal Register's infrastructure guidelines could in certain instances overlap, conflict, or add additional requirements to recovery programs administered by other federal agencies.

COMMENT 65

WATER & WASTEWATER FACILITIES

Various commenters raised concerns and questions regarding how the State plans to address storm impacts on water and wastewater facilities to ensure that these critical facilities are repaired and made more resilient to future severe weather events.

Staff Response:

The State is pursuing numerous opportunities to repair and harden water and wastewater facilities throughout New Jersey. As noted in the proposed Action Plan Amendment, since Superstorm Sandy, New Jersey has taken several steps to assist in the repair and recovery of water and wastewater systems by ensuring that broken pipes, sewer mains, and pump stations are repaired, key electrical components are replaced, sediment is removed from clogged storm water systems, and other needs are met.

New Jersey is also working with federal agencies to leverage funds and resources to address infrastructure needs. For example, the U.S. Environmental Protection Agency (EPA) has announced an award to New Jersey of \$229 million of its Sandy Supplemental funds to improve water quality following the storm. The State plans to leverage EPA funds through the New Jersey Environmental Infrastructure Trust and will then target those resources to address storm impacts on water and wastewater systems and associated resilience measures. The EPA funds carry a 20 percent non-federal cost share obligation, also known as "match." The State proposes to use a portion of this allocation of CDBG-DR funds as match to support those existing and future projects that are being undertaken by State agencies in partnership with the various federal funding agencies such as the EPA.

The State also intends to directly fund projects that build resilience of water and wastewater facilities using CDBG-DR funds. Through the proposed New Jersey Energy Resilience Bank, the State intends to prioritize funding resilient energy solutions – such as distributed generation – at water and wastewater treatment

facilities. In addition, the proposed Flood Hazard Risk Reduction & Resiliency Measure Program may also fund projects that enhance the resiliency of critical infrastructure, such as water and wastewater facilities, by reducing the risk of storm surge and flooding. By addressing both energy resilience and flooding vulnerability at critical facilities, New Jersey is taking important steps to ensure that water and wastewater facilities become more able to withstand the impacts of future severe weather events.

COMMENT 66

INFRASTRUCTURE ASSISTANCE FOR URBAN AREAS

Commenter raised concerns and questions regarding recovery assistance for urban areas. Commenter asserted that CDBG-DR funded programs are primarily targeted to address impacts in suburban communities, as opposed to urban communities, and that elevation requirements associated with the RREM program limit the impact of that program in urban communities. Commenter raised concerns that Hoboken will not be able to take advantage of the HMGP Elevation program or the buyouts program. Commenter requested more funding for Hoboken, and other urban communities, for flood hazard risk reduction measures, and requested that the State set aside funds for a separate program that would focus exclusively on the challenges of urban areas.

Staff Response:

The State recognizes the challenges that have arisen in recovery for property owners in urban areas where many substantially damaged properties cannot be elevated, such that property owners, over time, could face significant increases in insurance premiums because of the federal Biggert-Waters Insurance Reform Act of 2012. The State advocated for changes to the federal legislation that would make allowances for urban and historical properties that cannot be elevated, and has supported legislation that would at least delay the impact of the federal legislation on New Jersey property owners recovering from Superstorm Sandy.

Notably, the Grimm-Menendez Flood Insurance Act of 2014 signed into law on March 21, 2014, which addresses and modifies various provisions of the Biggert-Waters Flood Insurance Act of 2012, including provisions regarding how flood insurance premiums are determined. It also requires the administrator of NFIP to establish guidelines that provide alternative methods of mitigation other than elevation to reduce flood risk in residential building that cannot be elevated because of structural characteristics. The legislation does not describe any particular measures to be considered. Pursuant to the legislation, the NFIP administrator has one year to issue the guidelines

The State also has examined alternative programs to assist affected property owners in urban areas given the challenges property owners and business in those areas are facing. A commenter above suggested a program for urban areas focused on elevating utilities. The State previously had evaluated such a program, but the impact of federal regulations (e.g., requiring flood insurance in perpetuity) and the fact that NFIP would not recognize these expenditures as having any impact on the property owner's insurance premiums discouraged application of federal funds to elevate utilities.

Given these limitations, the State has looked to alternative avenues for assisting urban areas facing repetitive flooding challenges, such as Hoboken, Jersey City, Little Ferry, and Moonachie. The State has engaged six universities to study repetitive flooding challenges in these and other areas of New Jersey and offer options for a range of mitigation strategies to address those issues. The State continues to evaluate other potential larger-scale mitigation programs, including opportunities identified through the U.S. Army Corps of Engineers Comprehensive Study, the Sandy Regional Infrastructure Resilience Coordination group, and projects being designed through HUD's Rebuild by Design (RBD) initiative. Opportunities for mitigation also may be available through the Flood Hazard Risk Reduction and Resiliency Measures program proposed in this Action Plan Amendment.

COMMENT 67

FLOOD HAZARD MITIGATION DESIGN INITIATIVES

Commenters requested funding for flood mitigation initiatives specific to certain communities, including (i) Little Egg Harbor, (ii) Hoboken, and (iii) Middletown.

Staff Response:

The State has been working proactively to identify effective strategies to address repetitive flooding and risk of storm surge in areas throughout New Jersey, including inland, coastal, and urban communities. As noted in the proposed Action Plan Amendment, the State is collaborating with the Army Corps to realize long-term risk reduction solutions throughout the State. The State also is leveraging other federal funding streams, where possible, such as funding provided through USDOT to not only protect certain assets, but also to build in broader community resilience measures. Approximately 88 percent of large FEMA Public Assistance projects (i.e., projects valued at more than \$500,000) seek to incorporate additional resilience measures pursuant to Section 406 of the Stafford Act. In addition, the proposed Action Plan Amendment contemplates the use of CDBG-DR funds to address the risk of flooding and other hazards through the Flood Hazard Risk Reduction and Resiliency Measures Program. As part of the proposed Flood Hazard Risk Reduction and Resiliency

Measures Program, the State would employ a comprehensive risk analysis for the selection of potential risk reduction measures and would prioritize projects in those communities and regions most vulnerable to flooding, among other factors. The proposed Action Plan Amendment notes that priority would be given to projects benefiting regions or multiple infrastructure sectors. Further information regarding the prioritization of projects in the distribution of CDBG-DR funds will be addressed programmatically once HUD approves the State's proposed substantial amendment.

Additionally, as mentioned in the Action Plan Amendment, the State's holistic approach to recovery requires a coordinated integration of multiple available federal funding streams (not merely CDBG-DR resources) to maximize the impact of all funding sources for recovering New Jerseyans and to realize critical recovery and rebuilding initiatives. One federal funding stream provided through the federal Sandy Supplemental legislation is administered by the U.S. Department of the Interior (USDOI). USDOI has announced a competitive grant program, funded with \$100 million of Sandy Supplemental monies, available to all states affected by Superstorm Sandy as well as various other governmental and non-governmental entities. Proposals primarily focus on enhancing green and green/gray infrastructure. USDOI set a deadline of January 31, 2014 to receive proposals from eligible applicants for funding through the competitive grant program. Additional program information is available [here](#). Funding received through this program may support additional flood mitigation initiatives in New Jersey.

COMMENT 68

ENERGY VULNERABILITIES & ISLANDING

Commenters raised concerns about the need to address energy-related issues that resulted from the storm, including power outages and the impact of those outages on water and wastewater facilities. Commenters suggested measures to make the electrical grid more resilient, including by "islanding" critical facilities off from the electrical grid. Commenter also suggested that the State mandate that identified critical facilities develop a plan to provide for power islanding, utilizing federal and state funds, rather than leave to a facility's discretion whether to develop such a plan.

Staff Response:

Through a comprehensive risk analysis and partnership with federal agencies and national laboratories, the Administration has assessed statewide energy vulnerabilities in the wake of Superstorm Sandy and has worked to develop programs and policies that are supportive of building energy resilience at critical facilities and public buildings throughout New Jersey. To that end, the

proposed Action Plan Amendment contemplates allocating approximately \$200 million in CDBG-DR monies to fund the New Jersey Energy Resilience Bank. Through loans, grants, and other product offerings, the Bank could support the development of microgrids and the expanded use of distributed generation. The Bank could also support technologies that would allow critical facilities to operate independently of the electrical grid during outages, including “Black Start” capabilities, inverters, storage, and other technologies. Through the proposed New Jersey Energy Resilience Bank, the State intends to initially prioritize the energy resilience needs of water and wastewater treatment plants, although other critical facilities could also be eligible for funding assistance from the Bank. The New Jersey Board of Public Utilities, in coordination with the Department of Environmental Protection, the Office of Emergency Management and the Office of Homeland Security and Preparedness, continues to work with stakeholders to assess reliability of the grid and critical facility needs, and will continue to consider necessary programs and policies as appropriate.

COMMENT 69
ENERGY RESILIENCY

Commenter expressed concern that “islanding” critical facilities from the electrical grid likely is not feasible and about the viability of using solar power to address energy needs. Commenter expressed support for natural gas-based solutions for energy needs. Commenter stated that criteria for project selection should include ability to withstand hurricane-force winds and supported having redundant sources of electrical power. Commenter also expressed support for minimum resilience performance standards for projects to be considered for funding through the New Jersey Energy Resilience Bank and that energy efficiency be considered in the cost-effectiveness analysis.

Staff Response:

Initially, there currently are a number of distributed generation facilities in New Jersey that employ islanding technology so they can continue to receive power if the electrical grid is down. These include facilities at Princeton University, the College of New Jersey and the Bergen County Utilities Authority. Additionally, distributed generation facilities have to satisfy current building codes addressing ability to withstand hurricane force winds.

To develop programs and policies supportive of building energy resilience at critical facilities throughout the State, New Jersey partnered with the U.S. Department of Energy (USDOE) and USDOE’s national laboratories to identify opportunities to leverage commercially available technologies capable of “islanding” critical facilities from the electrical grid in the event of outages. The State continues to work closely with USDOE and other federal agencies in

identifying appropriate technologies that are effective and cost reasonable. The proposed New Jersey Energy Resilience Bank could provide both technical and financial support to critical facilities to explore available opportunities to pursue distributed generation, microgrids, or other technology that will lead to enhanced energy resilience. In some cases, supported technologies may rely on natural gas, such as in the case of combined heat and power or fuel cells, or may rely on renewable sources, such as solar power. While the proposed Bank could certainly be a catalyst for continued innovation in distributed generation and other technologies, potential projects considered by the proposed Energy Resilience Bank would need to meet minimum resilience performance standards to ensure that the project will enable the facility to sustain operations in the event of an electrical grid failure or other outage. Further programmatic details – including project selection criteria and minimum resilience performance standards – will be addressed programmatically once HUD approves the State’s proposed Action Plan Amendment.

COMMENT 70**ENERGY BANK FUNDING AND TECHNICAL ASSISTANCE**

Commenter expressed support for the New Jersey Energy Resilience Bank and advocated that the bank be used to improve mechanisms to facilitate the aggregation, credit enhancement and securitization of distributed generation projects to improve the function and structure of clean energy markets in the State. This would involve leveraging public and private funds. Commenter also expressed support for the bank to include a technical assistance component to assist municipalities with developing and implementing energy resilience projects through the bank.

Staff Response:

Once approved by HUD, the proposed New Jersey Energy Resilience Bank would seek to encourage distributed generation projects through a variety of unique financial product offerings. The State is building an appropriate infrastructure to support the proposed Energy Resilience Bank, including through planned augmentation of staff, to offer technical assistance to critical facility operators as well as to provide financial stewardship of the limited federal investment. The proposed Energy Resilience Bank could explore, where appropriate, opportunities to leverage additional funding through private capital markets and innovate public-private partnership models.

COMMENT 71

ENERGY BANK – GRANT FUNDING

Commenter expressed support for the New Jersey Energy Resilience Bank and stated that the bank exclusively be used to provide grants to fund “resiliency gaps” in energy infrastructure financing.

Staff Response:

The proposed Action Plan Amendment contemplates the use of CDBG-DR funds through the New Jersey Energy Resilience Bank to address energy resilience needs at critical facilities throughout the State. The proposed Action Plan Amendment indicates that the Energy Resilience Bank could support “Black Start” capabilities, inverters, storage, and other technologies that would enable critical facilities to “island” from the electrical grid in the event of a service outage. The State recognizes that the incremental costs associated with these technologies can be substantial, and the proposed Energy Resilience Bank contemplates funding or financing support to address these needs.

COMMENT 72

NEW JERSEY ENERGY RESILIENCE BANK PROGRAMMATIC DETAILS

Commenters offered suggestions on programmatic details for the New Jersey Energy Resilience Bank, including aligning program funding with the CHP/FC program, integrating continuous distributed generation, providing incentive enhancements to encourage the use of fuel cell and other technology, coordinating the program with BPU’s Clean Energy Program, and identifying mechanisms that may inform a cost-benefit analysis. Another commenter expressed support for prioritizing repairs and enhancements to water and wastewater facilities, and stated that funding also should be used to address development-related problems such as any substandard sewage infrastructure and treatment. Commenter supported using funds to improve stormwater management through green infrastructure initiatives.

Staff Response:

The State appreciates the programmatic comments provided by the commenters. The State continues to evaluate the most effective mechanisms to maximize the impact of the funding invested in the New Jersey Energy Resilience Bank, including leveraging these funds with other resources to achieve energy goals. If HUD approves the creation of the New Jersey Energy Resilience Bank, the State will develop and roll out detailed program requirements describing how funds through this program will be used and could potentially be leveraged with other resources. In developing those program criteria, the State will continue to consider these comments.

COMMENT 73

SEA-LEVEL RISE & ALL CDBG-DR FUNDING INITIATIVES

Commenter suggested that sea level rise be considered as a primary factor for all funding determinations involving CDBG-DR funds.

Staff Response:

As set forth in the proposed Action Plan Amendment, the State will comply with the requirements in HUD's Federal Register Notice regarding how sea level rise must be factored in to applicable CDBG-DR projects.

COMMENT 74

FUNDING FOR ROUTE 35 ROADWORK

Commenter requested additional funds to continue ongoing work on Route 35 and that funds be used to purchase any properties standing in the way of completing the project.

Staff Response:

The proposed Action Plan Amendment identifies damages that Superstorm Sandy caused to the State's transportation and transit systems and opportunities to repair those systems while incorporating mitigation and resilience elements. As the proposed Action Plan Amendment notes, the State is working closely with FEMA and the U.S. Department of Transportation's Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) to prioritize long-term recovery projects impacting transportation or transit systems (and surrounding communities).

Route 35 is an example of one roadway system that was significantly impacted by Superstorm Sandy. In rebuilding Route 35, the New Jersey Department of Transportation (NJDOT) is collaborating with FHWA to incorporate best practices in mitigation, including a robust drainage system equipped with pump stations and tide valves to prevent the back-flow of water. Additionally, a related project is being undertaken to install 40-foot pile-driven sheets of steel to reduce washout of vulnerable areas of roadway while also protecting homes and businesses in qualifying adjacent communities. The State anticipates that it will use CDBG-DR funds to satisfy the non-federal cost-share obligation for these projects. Where appropriate, NJDOT and other state agencies will continue to work with impacted communities and property owners to address project needs, including property access or the acquisition of property, where necessary, to support project development.

COMMENT 75

FUNDING TO SUPPORT ENVIRONMENTAL INFRASTRUCTURE TRUST

Commenters suggested that CDBG-DR funds be provided to the New Jersey Environmental Infrastructure Trust.

Staff Response:

As part of the holistic approach to recovery, the State plans to incorporate federal recovery funding provided through the United States Environmental Protection Agency into the New Jersey Environmental Infrastructure Trust, and use those funds to address water- and wastewater-related issues, among other things.

COMMENT 76

LINKING INFRASTRUCTURE PROJECTS WITH HOUSING NEEDS

Commenter suggested that infrastructure funding only be provided to communities where the infrastructure project would facilitate rebuilding or replacing housing for renters and homeowners.

Staff Response:

The State appreciates the programmatic comments provided by the commenter. The State continues to evaluate the most effective mechanisms to maximize the impact of infrastructure funding. As stated in the Action Plan Amendment, the State seeks to invest in infrastructure projects that will protect the substantial recovery investments the State has made in the housing and economic sectors. It is for this reason that the State has prioritized energy and flood hazard mitigation initiatives, responsive to some of the most significant infrastructure-related vulnerabilities arising during Superstorm Sandy.

COMMENT 77

INFRASTRUCTURE PROGRAMS – COMPLIANCE WITH HUD NOTICE REQUIREMENTS

Various commenters expressed concerns that the State's infrastructure program descriptions and analyses in the Action Plan Amendment do not comport with the requirements in HUD Federal Register Notice FR-5696-N-06, including with respect to requirements speaking to climate change, planning, energy efficiency and building codes.

Staff Response:

Federal Register Notice FR-5696-N-06 requires that each CDBG-DR grantee "describe the science-based risk analysis it has or will employ to select, prioritize, implement, and maintain infrastructure projects or activities" which

“consider[s] a broad range of information and best available data, including forward-looking analyses of risks to infrastructure sectors from climate change and other hazards.” In its discussion of the two proposed infrastructure programs – the New Jersey Energy Resilience Bank and the Flood Hazard Risk Reduction & Resiliency Measures Program – the draft Action Plan Amendment lays out a comprehensive risk analysis to assess and evaluate potential infrastructure projects. The proposed programs rely on data and information collected through a complex planning process involving six universities, national laboratories, federal agencies, and other stakeholders to inform infrastructure investment. The draft Action Plan Amendment also includes a framework for identifying and selecting projects – including through application of a robust cost-benefit analysis, consideration of green infrastructure, and other project prioritization criteria. Both the proposed Energy Resilience Bank and the Flood Hazard Risk Reduction & Resiliency Measures Program would also apply the federal government’s Sea Level Rise Tool for Sandy Recovery to consider proposed projects.

COMMENT 78

STATE STATUTES AND REGULATIONS

Commenter suggested that reconstruction and redevelopment activities are inconsistent with federal requirements governing New Jersey’s ability to apply second tranche CDBG-DR funds for infrastructure and other programs. Another commenter stated that the Action Plan does not specify that program will comply with applicable state laws and regulations, including those relating to land use, water quality, infrastructure and natural resource protection.

Staff Response:

As stated in the Action Plan, all CDBG-DR funded programs will comply with all applicable federal and state statutes and regulations.

In proposing CDBG-DR programs, developing programmatic details, and implementing and managing CDBG-DR programs, the State intends to comply with all applicable statutes and regulations, including those governing reconstruction and redevelopment activities.

COMMENT 79

LMI BENEFIT PROJECTIONS

Commenter questioned how the State arrived at projected LMI benefit for infrastructure programs.

Staff Response:

The State projects LMI benefit for each program using the different methods by which HUD calculates LMI benefit (e.g., direct benefits to LMI businesses or individuals; area benefit analysis).

COMMENT 80
BUYOUTS – TARGETING COMMUNITIES

Commenters requested information and transparency regarding how the Department of Environmental Protection will target communities for participation in the Sandy Blue Acres Buyout Program, and a commenter suggested that the Action Plan Amendment state that full ecological restoration of buyouts areas will be funded.

Staff Response:

The New Jersey Department of Environmental Protection has engaged with nearly 150 municipalities within the nine most-impacted counties that have repetitive flood loss areas and homes that sustained significant flood damage to notify them about the buyouts program.

The buyouts program is voluntary. Municipalities must be supportive of buyouts because they will be charged with maintaining the open space created by the buyouts and may have to accept a loss of ratables that result from buyouts. A critical mass of individual homeowners within a cluster of damaged properties in a community or area also must be amenable to buyouts because the buyouts program is voluntary and the State seeks to avoid “checkerboard” communities. Because of these factors, many municipalities and/or property owners have not expressed interest in buyouts.

The State continues to prioritize municipalities and homeowners in repetitive flood loss areas that have indicated willingness to pursue buyouts, particularly those areas that also contain severe repetitive flood loss properties. These communities include: East Brunswick Township, Lawrence Township, Linden, Newark, Old Bridge Township, Sayreville Borough, South River Borough, Union Beach and Woodbridge Township. Conversations with other towns in the nine most-impacted counties and within the heavily flood-prone river basins – Passaic and Raritan in particular – remain on-going. DEP will continue to work directly with municipalities and property owners interested in pursuing buyouts and keep them informed regarding the status of the program.

The Action Plan Amendment states, among other things, that program funding can be “used to conduct demolition and debris removal activities, and other related activities necessary to convert the purchased property to open space.” Following approval from HUD of the State’s Action Plan Amendment and

ongoing assessment of the demand for the program given available funding, the State will define within program criteria the extent of ancillary services for converting the property to open space that may be covered by the program.

**COMMENT 81
FUNDING GOAL FOR BUYOUTS**

Commenter asked whether the State would be committing an additional \$100 million to buyouts to reach its goal of committing \$300 million for purchasing homes in repetitive flood loss areas.

Staff Response:

The State remains committed to its goal of dedicating at least \$300 million in recovery resources to support buyouts in repetitive flood loss areas. However, there are various and substantial remaining unmet recovery needs across the State, as detailed in the Action Plan Amendment. The State concluded that dedicating \$100 million of second tranche CDBG-DR funds for buyouts struck the appropriate balance, given the many other unmet needs across the State. New Jersey will continue to look to other recovery resources, including third tranche CDBG-DR funds if provided by HUD, to support additional funding for buyouts.

**COMMENT 82
EMINENT DOMAIN**

Commenter expressed concern that CDBG-DR funds could be used by municipalities to condemn people's properties and turn the property over to the private sector for development. Another commenter expressed concern about the possibility the State could declare an area "blighted" as grounds to use eminent domain to force residents to take a buyout.

Staff Response:

The buyouts program is a voluntary program, as set forth in the Action Plan Amendment. Additionally, the Green Acres program does have legal authority to use eminent domain to acquire open space.

With respect to the Unsafe Structure Demolition Program, authorized pursuant to Executive Order No. 152, DCA and its agents may enter onto properties for the exclusive purpose of identifying and demolishing unsafe structures without homeowner consent. Even if DCA avails itself of the authority afforded by Executive Order No. 152 to demolish unsafe structures without owner consent, the State sole and exclusive purpose on the property will be to facilitate the demolition of the unsafe structure.

COMMENT 83

STORM IMPACTS ON VULNERABLE POPULATIONS

Various commenters raised concerns about the impact of storms on vulnerable populations including the poor, elderly, homeless, and persons with disabilities. Some commenters also raised concerns about mental health issues arising after the storm.

Staff Response:

The State has created many programs to address the needs arising from Superstorm Sandy for vulnerable populations, including the elderly, homeless, and persons with disabilities. Many of these initiatives are funded with federal Social Services Block Grant monies. Two examples of programs serving vulnerable populations include the Ramp Rebuild, Replacement and Installation Program, which provides modular ramps to eligible applicants, and the Home Repair and Advocacy Program, which helps seniors and individuals with disabilities whose primary homes were damaged by Superstorm Sandy. More information is available [here](#).

New Jersey also created programs to address mental and behavioral health needs. For example, New Jersey created the Hope and Healing Crisis Counseling program, which contacted more than 450,000 individuals to provide crisis counseling. In addition, the Department of Human Services and Department of Children and Families are developing programs to deliver clinical behavioral health services to both adults and children.

COMMENT 84

RESPONSE TO DOMESTIC VIOLENCE ISSUES

Commenter raised concerns about increases in domestic violence following natural disasters and the need to focus on the needs of children arising from the storm.

Staff Response:

The New Jersey Department of Children and Families has created programs funded with federal Social Services Block Grant monies specifically designed to address anticipated increases in domestic violent and child abuse following Superstorm Sandy. More information is available [here](#).

COMMENT 85

PLANNING GRANT ELIGIBILITY

Commenters stated that municipalities should be required to assess sea-level rise as a condition of receiving a planning grant, and that municipalities in Cumberland County should be eligible for planning grants. Another commenter stated that the

Post-Sandy Planning Grant Assistance program should include funding for economic development planning.

Staff Response:

The State encourages all communities participating in the Post-Sandy Planning Assistance Grant Program to conduct a robust planning needs analysis. While the program will certainly pay for an impact analysis of sea-level rise, mandating that communities first undertake a sea-level rise analysis would delay other equally critical planning activities that do not relate to sea-level rise. Participation in the program anticipates that municipal grantees engage licensed professional planners expressly to help determine planning priorities based on local conditions.

With regard to Cumberland County, the Post-Sandy Planning Assistance Grant program is already oversubscribed with communities in the HUD-determined nine most-impacted counties. However, if the funds allocated in this Action Plan Amendment are able to meet existing need, the State will consider modifying eligibility to include other counties. In addition, although Cumberland County communities are not eligible to participate in the Post-Sandy Planning Assistance Grant Program, the Department of Community Affairs, through its Local Planning Services, has reached out to Sandy-impacted communities in Cumberland County to provide technical planning assistance.

Finally, the Post-Sandy Planning Assistance Grant can provide grants of up to \$50,000 to eligible communities to prepare, modify or replace community development and neighborhoods plans, including economic development plans.

**COMMENT 86
PLANNING PROGRAMS**

Commenter requested more information about Sandy-related planning programs.

Staff Response:

The Governor's Office of Recovery and Rebuilding website, available [here](#), is a resource for information regarding various Sandy-related programs, including planning programs. Additionally, information regarding planning services and programs, including CDBG-DR funded recovery planning programs is on DCA's website, available [here](#).

**COMMENT 87
FEMA COMMUNITY RATINGS SYSTEM**

Commenter suggested that the State tie some storm relief for municipalities to a requirement that municipalities participate in FEMA's Community Rating System program.

Staff Response:

FEMA's Community Rating System (CRS) program can be a valuable program for some New Jersey communities, and the State continues to partner with FEMA to assist interested communities in entering the program and improving their respective CRS scores. Information regarding the CRS program is available [here](#).

That said, for various reasons, some communities have determined that the CRS program is not appropriate for them. In respect of home rule in New Jersey and understanding that not all programs will benefit all communities, the State continues to respect the discretion of each community in determining whether to pursue CRS participation. For that reason, the State will not tie Sandy funding for communities to mandatory participation in the CRS program.

COMMENT 88**TAXES**

Commenter requested tax relief from municipalities in Sandy-impacted communities.

Staff Response:

There are various resources available to municipalities heavily impacted by Superstorm Sandy to reduce the impact of displacement and a loss of ratables on the municipal tax base. Most significantly, FEMA Community Disaster Loans (CDL) provide funding to eligible counties, municipalities and other government entities to offset losses of taxes and other revenues resulting from a disaster. Through February 2014, almost \$175 million in CDL resources have been obligated to counties, municipalities, school districts and other government entities and more than \$70 million had been drawn down.

Additionally, based on analyses by the Department of Community Affairs Division of Local Government Services, it was apparent that FEMA Community Disaster Loans would not be sufficient to address the needs of the most heavily affected counties, communities and school districts. Therefore, the State dedicated \$60 million in first tranche CDBG-DR funds to the Essential Services Grant program to provide additional financial assistance to these communities in order to ensure that funding remained available to provide critical services to residents. The State proposes to add \$85 million of second tranche CDBG-DR funds to this program to address financial impacts from Sandy in heavily impacted communities in 2014 and 2015.

While these two programs are intended to directly address the risk of tax increases resulting from the storm, other programs that assist government entities' recovery likewise reduce the need to generate additional tax revenues to pay for storm-related costs. Most notably, FEMA's Public Assistance program is a

primary mechanism for government entities to rebuild or repair damaged government buildings. The State also is using second tranche CDBG-DR funds to expand its Non-Federal Cost Share (Match) program which may assist financially strained counties, municipalities and other entities with projects that carry non-federal cost shares.

COMMENT 89
UPDATING BUILDING CODES

Commenters asserted that the State should update building codes in connection with recovery efforts.

Staff Response:

The State is required to adopt construction codes prepared by nationally recognized organizations. Updates to the present code are expected to be released later this year.

COMMENT 90
COORDINATION WITH LOCAL GOVERNMENTS

Commenter suggested that the State designate a representative to meet with the most-impacted counties on a monthly basis to establish regular communications.

Staff Response:

The State is communicating with impacted counties and municipalities on Sandy recovery and rebuilding initiatives on a daily basis through the Office of the Governor as well as through State departments and agencies.

COMMENT 91
STRONGER NJ BUSINESS GRANTS & LOANS PROGRAMS

Commenters raised concerns about the difficulty in completing applications for NJEDA's Stronger NJ Business Grants and Stronger NJ Business Loan programs, focusing on the extensive documentation required to be submitted pre-approval, as well as the time required to disburse funds to them under those programs.

Staff Response:

NJEDA understands the frustration of small business owners who have had to navigate cumbersome CDBG-DR program application and approval processes, demanding substantial amounts of documentation to prove storm impact and damages, in order to receive critical recovery assistance. Unfortunately, nearly all of the requirements in the funding application and approval process are responsive to federal regulations. If the State cannot document that each business owners' file contains all documentation and other proofs required to meet all applicable federal regulations, then the federal government can de-

obligate (i.e., take back) the very recovery funds that are so critical to the State's revitalization.

NJEDA also recognizes that there may be areas, even at the margins, to streamline the application and approval process, and also that customer services issues raised by some applicants need to be addressed. The New Jersey Economic Development Authority has continued to take steps to streamline the process, where possible, and address customer service complaints. These steps have included, among other things:

- Reducing the amount of documentation required to begin the grant review process;
- Targeting the expenses that can be reimbursed most rapidly in the post approval stage;
- Leveraging federal and State partnerships, including SBA, NFIP and New Jersey Taxation, to verify information to reduce the burden on applicants; and
- Centralized processing staff.

COMMENT 92

SBA APPLICATION PROCESS

Commenters expressed concerns about the SBA application and approval process, as well as the impact of SBA applications on the CDBG-DR duplication of benefits analysis.

Staff Response:

While construction and economic injury loans provided by the U.S. Small Business Administration assisted some residents and businesses in recovery, that funding stream was not without considerable challenges. (The SBA final deadline for submitting disaster-related applications for SBA loans was July 31, 2013.)

New Jersey exercises no authority or control over the SBA application or approval process. The State understands, and has conveyed to its federal partners, many of the obstacles and challenges that arose with SBA, including challenges created by the implications that filing for an SBA disaster loan has on the federally required duplications of benefits analysis for CDBG-DR funds.

The duplication of benefits requirements are established by federal regulation and the State has no flexibility in that respect.

COMMENT 93
NCR PROGRAM

Commenter expressed frustration about the application process for the Neighborhood and Community Revitalization program and asked how funding determinations across projects are being made in that program.

Staff Response:

The Neighborhood and Community Revitalization program (NCR), funded with \$75 million of first tranche CDBG-DR monies, includes three separate initiatives: (i) \$2.5 million for Community Development Financial Institutions to further facilitate micro-lending to eligible small businesses; (ii) \$10 million to a Streetscape Revitalization initiative to repair and enhance "main street" areas in affected municipalities through lighting, façade replacement and similar activities; and (iii) a \$62.5 million initiative that focuses on larger catalytic and transformative projects in affected municipalities. The comment relates to the third of these initiatives.

Information relating to the NCR program is available [here](#). Information specific to NCR prioritization and project scoring is available [here](#). Given that NCR demand has far exceeded available funding, the State has closed the NCR project intake process. As stated in the prioritization and scoring criteria, the State initially will assess LMI projects against the identified threshold eligibility criteria, and then score eligible projects against the scoring criteria. Eligible projects will be funded depending on their scoring. Following the LMI funding round, the State will assess non-LMI projects against the identified threshold eligibility criteria, and then score eligible projects against the scoring criteria. Using remaining funding remaining after the LMI funding, eligible non-LMI projects will be funded based on their score.

COMMENT 94
TOURISM FUNDING FOR MIDDLETOWN

Commenter requested that tourism funding be targeted to Middletown.

Staff Response:

The federally funded post-Sandy tourism campaign, Stronger than the Storm (STTS), helped to drive tourist activity and offset the expectation that the summer season would see a drop in tourist activity. We were faced with combating the misperception that Sandy destroyed all New Jersey tourism assets and was not a viable vacation destination.

A preliminary report on the 2013 tourism season, including publicly available and objective third party data on hotel tax receipts, hospitality employment,

beach pass sales, hotel occupancy rates, and transit activity, shows that despite the challenges of the storm and recovery, the tourism industry in New Jersey was not only able to overcome low expectations – it was able to grow and expand in several areas. According to the data, overall, the 2013 season outperformed 2009 and 2011, and was only slightly behind the record 2012 season, even though June of 2013 was the wettest on record.

This success was achieved by utilizing a multitude of digital/social media in order to get the word out to potential visitors that the shore area was ready for summer. Through a comprehensive advertising campaign, we drove audiences to those digital assets, which included myriad information about events occurring and businesses open for business in the impacted areas. These channels include the *strongerthanthestorm.com* website (which has had 397,803 visits), the STTS Facebook page (97,722 fans), Twitter (6,722 followers), Instagram (707 followers) and You Tube Channels (200,307 video views), as well as a newsletter (5,639 subscribers). Specific to Middletown, there are currently two upcoming events highlighted via STTS channels – Maple Syrup Day on March 9, 2014 and a Colonial Candle Workshop on March 30, 2014, both of which are located at Poricy Park Conservancy in the Township.

The State worked closely with impacted communities to employ the various channels to help get their individualized message out, and the State will continue to do so going forward utilizing any additional HUD CDBG-DR funding that is approved. While the tourism industry exceeded expectations in some areas, in others, it is clear that additional support is required to overcome storm-related perceptions. This pertains largely to those towns that were late in recovering for last summer season's activity. With a recent increase in negative coverage of the shore, it is also critical to once again generate positive stories and interest.

COMMENT 95
TOURISM MARKETING CAMPAIGN

Commenter stated that no CDBG-DR funds should have been spent on the Stronger than the Storm marketing campaign, and that no additional funds should be allocated for tourism marketing in 2014. Another commenter asked about how the proposed \$5 million program allocation relates to state legislation on integrity monitoring.

Staff Response:

As detailed in the Action Plan Amendment, preliminary data tend to show that the Stronger than the Storm campaign was effective in combating the misperception that all State tourism assets were destroyed by Superstorm

Sandy. Supporting the recovery of the economic sector generally, and also focusing particularly on the tourism industry given Sandy's devastating impact along the Jersey Shore, is critical to the recovery of businesses, communities and the State as a whole.

Additionally, with respect to tourism marketing in 2014, a \$5 million commitment to tourism marketing (a comparatively small investment compared to the other sectors) could assist hundreds of businesses, employees of those businesses, and municipalities with budgets that rely substantially on tourism-related revenues. This is particularly critical for particularly hard hit municipalities, and businesses in those municipalities, that could not take full advantage of the 2013 tourism season because of the damage caused by Superstorm Sandy.

Finally, as stated in the Action Plan Amendment, the State has proposed a \$5 million allocation for tourism marketing in 2014 to execute a meaningful, but comparatively smaller, marketing campaign with a particular focus on assisting hard hit communities that could not take full advantage of the 2013 tourism season. The State integrity monitoring legislation captures contracts valued at \$5 million or more, assuming federal funding is available for monitoring, so the proposal in the Action Plan (which is not a contract) does not appear to directly relate to the integrity monitoring legislation. Moreover, HUD carefully monitors all CDBG-DR funding expenditures.

COMMENT 96
NUTLEY BOAT RAMP

Commenter requested that funds be allocated to repair the Nutley boat ramp as an economic revitalization project.

Staff Response:

As the data referenced in the Action Plan Amendment show, the unmet need in the economic sector is significantly smaller than the unmet need in the housing and infrastructure sectors. This information is provided not to minimize the economic sector unmet needs, but to show the comparatively greater need to direct the limited second tranche CDBG-DR funds to housing and infrastructure initiatives. The only economic investment to be made with second tranche CDBG-DR funding is \$5 million for tourism advertising, which the State has included because that small investment (as compared to the housing and infrastructure investments) can directly benefit hundreds of recovering tourism businesses, employees of those businesses and recovering municipalities with budgets that rely on tourism revenues.

COMMENT 97

ADDITIONAL FUNDING FOR SHRAP; FUNDING FOR INSURANCE PAYMENTS

Commenter requested that additional funds be allocated to the Working Families Living Expenses Voucher program (also known as SHRAP) and that funding should be provided to subsidize homeowners and flood insurance payments.

Staff Response:

The State is closely monitoring the funding level associated with the Working Families Living Expenses Voucher Program (also known as SHRAP), which the State has funded using federal Social Services Block Grant monies. Presently, the SHRAP program continues to be funded above demand. The State will continue to analyze and refine program parameters as appropriate. That said, based on go-forward demand for SHRAP as well as demand related to other unmet recovery needs, the State may consider expanding funding for SHRAP or other recovery programs, as resources permit.

With its limited available resources and significant unmet needs, the State cannot at this time allocate additional funding to a program that would subsidize flood insurance payments. Notably, the Homeowner Resettlement program grants could be applied toward insurance obligations. Additionally, on March 21, 2014, after the public comment period closed for the Action Plan Amendment, the U.S. Congress passed, and the President signed into law, the Grimm-Menendez Flood Insurance Act of 2014, which addresses and modifies various provisions of the Biggert-Waters Flood Insurance Act of 2012, including provisions regarding how flood insurance premiums are determined. The State is evaluating the impact of this legislation on its various recovery programs.

COMMENT 98

SHRAP APPLICATION/APPROVAL PROCESS

Commenters expressed frustration with the time it took to receive funding through the Working Families Living Expenses Voucher Program (also known as SHRAP).

Staff Response:

As with other recovery programs, the State continues to evaluate SHRAP program delivery to improve the process and reduce the burden on applicants, where possible. Some of the State's efforts include: (i) easing program administration by allowing applicants to apply in any county as opposed to just their county of residence; (ii) opening additional SHRAP offices to reduce wait times and more quickly accommodate applicants; and (iii) expanding administrative capacity through new providers. The State will continue to assess steps that could improve the SHRAP process.

COMMENT 99

SHRAP – DUPLICATION OF BENEFITS

Commenter stated that individuals receiving Work First New Jersey (WFNJ) – General Assistance should be able to receive SHRAP.

Staff Response:

Individuals in receipt of WFNJ- General Assistance (GA) are not eligible for SHRAP unless they have exhausted their Emergency Assistance (EA) benefits. Because housing benefits are covered under the Emergency Assistance program, it would be considered a duplication of benefits for a WFNJ-GA recipient to receive both EA and SHRAP. If a WFNJ-GA recipient has exhausted their EA benefits, they may be eligible for SHRAP and eligibility would be determined by the local SHRAP agency.

COMMENT 100

REBUILD BY DESIGN COMPETITION

Commenter asked why the Rebuild by Design initiative is not funded as part of the Action Plan Amendment.

Staff Response:

The State expects to receive additional guidance from HUD regarding potential projects being assessed as part of HUD's Rebuild by Design competition. Once additional information and guidance is provided, the State will evaluate Rebuild by Design funding opportunities accordingly.

COMMENT 101

PUBLIC HEARINGS AND COMMENTS

Two commenters raised concerns about the extent to which the State considers public comments on the Action Plan Amendment prior to submitting the proposed amendment to HUD for approval. Another commenter asked why a public hearing was not held in Ocean County.

Staff Response:

Initially, all comments received on the Action Plan Amendment are considered regardless of the form of submission. Each comment receives equal consideration whether provided at a hearing, on a public comment form available at the hearing, by U.S. mail or by email. In refining the Action Plan Amendment prior to submitting the proposed plan to HUD, the State takes into account all comments received. The State has sought to respond to all comments it has received and has made additions and modifications to the proposed

amendment based on the comments. In short, public input is taken very seriously.

Regarding hearing locations, while HUD's Federal Register Notice FR-5696-N-06 required one public hearing on the State's proposed plan for spending second tranche CDBG-DR funds, New Jersey held three public hearings in the northern, central and southern areas of the nine most-impacted counties. Hearings were held in Atlantic, Essex and Monmouth Counties. Monmouth County was selected as the central New Jersey location because it is more equidistant between the Atlantic and Essex hearing locations and because facilities at Brookdale Community College were available to accommodate the public hearing.

COMMENT 102

PUBLIC HEARING PERIOD; HEARING LOCATIONS; HEARING SESSIONS

Commenter asserted that the 30-day public hearing period was not sufficient, that more individuals may have attended had hearings been held in elementary schools or high schools, rather than on college campuses, and that commenters' questions should have been answered at the public hearing.

Staff Response:

The 30-day comment period complies with the requirements in HUD's Federal Register Notice. More than 300 commenters provided input. Moreover, by closing the comment period at 30 days, the State expedited as much as possible its ability to incorporate responses to the comments, amend the Action Plan Amendment accordingly, and submit the amendment to HUD for approval. Each day that passes before the amendment is approved is another day that displaced homeowners and renters, impacted small businesses and communities and others are not receiving critical recovery assistance.

The State chose to hold public hearings on college campuses to ensure it had space to comfortably accommodate a large number of attendees and to minimize cost. In any case, any person who did not, or could not, attend a public hearing could submit comments via email or U.S. mail, which comment would receive the same treatment as any comment provided at the public hearings.

Finally, the purpose of these public hearings was for the State to explain its plan to the public and then solicit public comment on the plan. The hearings are not intended to be question-and-answer sessions, but rather are intended to maximize public input. Response to comments is provided in writing in this section of the Action Plan Amendment. The State had "mobile cabinets" available at each public hearing to provide answers to individual recovery questions. That said, to the extent commenters raised issues or sought assistance relating to

their personal recovery needs, the State has endeavored to reach out to those commenters directly to provide information and assistance.

COMMENT 103

MUNICIPAL BUILDING/PERMITTING REQUIREMENTS

Commenters raised concerns about municipal permitting requirements and about municipalities that may not increase the height to which homes can be built to accommodate the need for home elevations or allow for setbacks sufficient to permit effective rebuilding.

Staff Response:

Municipalities, not the State, generally have jurisdiction over maximum height construction or setback standards within their respective borders.

COMMENT 104

REBUILDING STANDARDS

Commenter asserted that the State's rebuilding standards should require rebuilding structures to FEMA's best available flood elevation plus two feet of freeboard, rather than plus one foot of freeboard. Another commenter stated that the one-foot-of-freeboard requirement will not address inundation or protect structure against future flood risks.

Staff Response:

As a measure to rebuild more resiliently, the State adopted a rule requiring new construction to be built above FEMA's best available flood elevation plus one foot of freeboard. This standard subsequently was adopted at the federal level. The state regulation does not prohibit homeowners from building to higher elevations (e.g., adding two feet of freeboard or more). The decision of whether to incur the additional cost of elevating beyond the minimum height requirement for the added protection or benefit doing so would afford is left to the discretion of each homeowner.

It also should be noted that while elevating residences is one way to mitigate against future flood risks, the State has pursued a layered approach to flood risk reduction measures as an efficient and effective way to address the challenges of future extreme weather events and other flood-related hazards. The layered approach includes, among other things, incorporating green and grey infrastructure initiatives into the recovery effort, collaborating with the U.S. Army Corps to support ongoing beach and dune construction projects, prioritizing a Flood Hazard Risk Reduction and Resiliency Measures program using second tranche CDBG-DR funds, creating additional open space to absorb flood waters through the Sandy Blue Acres program, and engaging six

universities to develop flood mitigation strategies, including new resilient technologies, which could be deployed throughout the State.

COMMENT 105

TWO-YEAR EXPENDITURE REQUIREMENT

Commenter expressed concern with whether the State would be able to satisfy the federal requirement that CDBG-DR resources be expended within two years of being made available to New Jersey.

Staff Response:

The State is working diligently to satisfy the two-year expenditure requirement. There is a process by which the two-year expenditure requirement can be extended for certain funding streams by a process described in the Sandy Supplemental legislation. Nevertheless, the State is trying to disburse recovery funds as quickly and effectively as possible.

COMMENT 106

TARGETING ASSISTANCE TO LMI INDIVIDUALS, BUSINESSES AND COMMUNITIES

Two commenters expressed concern that LMI individuals were not given sufficient priority for assistance and that not enough funds were being directed to LMI populations.

Staff Response:

In the Action Plan, the State recognized that natural disasters like Superstorm Sandy can have a devastating effect on LMI individuals, businesses and communities, and that these groups may face unique challenges in recovery. As a result, LMI populations were given priority in many Sandy recovery programs. For example, 70 percent of first tranche RREM program funding was reserved for eligible LMI applicants. Sixty percent of first tranche Homeowner Resettlement program funds were reserved for eligible LMI applicants, and all eligible LMI applicants to that program have received, or shortly will receive, funding from that program. Additionally, the State's renter programs overwhelmingly serve LMI individuals. Businesses that employ LMI persons or serve an LMI area are being funded through the Stronger NJ Business Grants and Loans programs. The first round of funding to be provided through the catalytic and transformative project initiative of EDA's Neighborhood and Community Revitalization provides a priority for eligible projects submitted by LMI communities. LMI communities also have been served through the Essential Services Grant program and the Post-Sandy Planning Grant Assistance program. These are just some examples.

As set forth in Appendix A of the Action Plan Amendment, the State currently projects that approximately 54 percent of all funds will benefit LMI households, businesses and communities, which exceeds the 50 percent federal requirement imposed under FR-5696-N-01.

COMMENT 107
LEVERAGING RESOURCES

Commenter supported leveraging various resources in disaster recovery to realize larger neighborhood revitalization initiatives. Another commenter asked about leveraging CDBG-DR and HMGP funds.

Staff Response:

The State agrees with the commenter that leveraging multiple funding sources together to realize critical recovery projects and larger-scale revitalization initiatives is a crucial component to an effective recovery. The State has designed programs with this principle in mind and will continue to evaluate ways that programs can work together to have a greater impact for recovering individuals, businesses and communities.

Leveraging can present challenges, however. Incorporating both HUD CDBG-DR funds and FEMA HMGP funds into the same activity can be difficult. By integrating two funding streams for the same specific activity, the activity must satisfy all the federal regulations that apply to each funding stream. In certain circumstances, the regulatory schemes can conflict or otherwise prohibit leveraging these funding streams to complete a specific recovery project. Nevertheless, where feasible, the State will continue to leverage available resources in various ways to maximize the impact of available resources for recovering New Jerseyans and to realized critical recovery initiatives.

COMMENT 108
INCREASED MONITORING

Commenter stated that more steps should be taken to monitor CDBG-DR funded programs. Commenter further inquired about implementation of integrity monitoring legislation, publication of integrity monitoring reports, and the hiring of external monitors for Sandy recovery.

Staff Response:

Federal disaster recovery monies are carefully regulated and monitored by the federal government. In fact, HUD has monitored New Jersey three times since the inception of the Sandy-assisted programs in May 2013. It is anticipated that these monitoring activities will continue throughout the course of recovery. The State also works with HUD on a weekly basis on compliance issues that arise in

the course of recovery to ensure the State remains in compliance with the numerous federal statutes and regulations implicated by disaster recovery programs. Additionally, employees of the federal Office of the Inspector General have reviewed New Jersey programs in the ordinary course of their responsibilities, and the State expects those reviews to continue as well. Oversight of non-HUD federal recovery funding streams is comparable.

In addition to the close oversight imposed by the federal government, the State also has implemented steps to comply with state integrity monitoring legislation. This includes the hiring of external monitors where federal recovery funds are available to cover the cost. The State will continue to comply with the legislation as the recovery proceeds, including with respect to submission of monitoring reports.

COMMENT 109
"ENVIRONMENTAL JUSTICE" COMMUNITIES

Commenter asked that, to assist with preparations for future storms, the State analyze whether residents of "environmental justice" communities faced more challenges in evacuations, suffered more significant storm impacts and had more difficulty with the rebuilding process as compared to higher socioeconomic communities.

Staff Response:

The State expects that various analyses will be conducted based on the impacts and recovery from Superstorm Sandy in order to inform and enhance preparations for, and responses to, future storm events on the size and scale of Superstorm Sandy throughout the United States.

COMMENT 110
RESIDENT TRACKING SYSTEM

Commenter suggested the State develop a system that would track residents' movements across different neighborhoods to better remain in communications with those residents and provide assistance.

Staff Response:

While the State will evaluate the commenter's suggestion regarding a resident tracking system, individual applicants are responsible for notifying DCA of their current contact information.

APPENDIX A: ALLOCATION OF FIRST AND SECOND TRANCHE CDBG-DR FUNDS BY PROGRAM

Category	Total Amount	Program	Allocation Level
Homeowner Assistance Programs	\$1,455,000,000	Reconstruction, Rehabilitation, Elevation & Mitigation	\$1,100,000,000
		LMI Homeowners Rebuilding Program	\$40,000,000
		Blue Acres Buyout Program	\$100,000,000
		Housing Resettlement Program	\$215,000,000
		Fund for Restoration of Multi-Family Housing	\$379,520,000
Rental Housing and Renter Programs	\$624,520,000	Landlord Rental Repair Program (Small Rental)	\$70,000,000
		Pre-Development Fund	\$10,000,000
		Neighborhood Enhancement Program (Blight Reduction Pilot Program)	\$50,000,000
		Incentives for Landlords	\$40,000,000
		Sandy Homebuyer Assistance Program	\$25,000,000
		Sandy Special Needs Housing Fund	\$50,000,000
		Grants/Forgivable Loans to Business	\$100,000,000
Economic Development	\$305,000,000	Direct Loans for Small Business	\$100,000,000
		Neighborhood & Community Revitalization	\$75,000,000
		Tourism Marketing Campaign	\$30,000,000
Infrastructure Programs	\$550,000,000	New Jersey Energy Resilience Bank	\$200,000,000
		Flood Hazard Risk Reduction Program	\$100,000,000
Support for Government Entities	\$181,000,000	Non Federal Cost Share (Match)	\$250,000,000
		Unsafe Structures Demolition Program	\$25,000,000
Supportive Services	\$10,000,000	Essential Services Program	\$145,000,000
		Zoning/Code Enforcement	\$11,000,000
		Supportive Services Program	\$10,000,000
TOTAL	\$3,125,520,000	TOTAL FUNDED PROGRAMS	\$3,125,520,000
Planning and Administration	\$167,000,000	Planning Grants	\$15,000,000
		Administration	\$152,000,000
TOTAL	\$3,292,520,000		

A1

APPENDIX B: PERCENTAGE OF AGGREGATE CDBG-DR FUNDS RECEIVED TARGETED TO MOST- IMPACTED COUNTIES

Category	Program	Allocation Level	Portion of Allocation Benefiting Most-Impacted and Distressed Counties	Estimated Percentage to Benefit Most-Impacted and Distressed Counties
Homeowner Assistance Programs	Reconstruction, Rehabilitation, Elevation & Mitigation	\$1,100,000,000	\$1,100,000,000	100%
	LMI Homeowners Rebuilding Program	\$40,000,000	\$40,000,000	100%
	Blue Acres Buyout Program	\$100,000,000	\$85,000,000	85%
	Housing Resettlement Program	\$215,000,000	\$215,000,000	100%
Rental Housing and Renter Programs	Fund for Restoration of Multi-Family Housing	\$379,520,000	\$265,664,000	70%
	Landlord Rental Repair Program (Small Rental)	\$70,000,000	\$49,000,000	70%
	Pre-Development Fund	\$10,000,000	\$8,000,000	80%
	Neighborhood Enhancement Program (Blight Reduction Pilot Program)	\$50,000,000	\$40,000,000	80%
	Incentives for Landlords	\$40,000,000	\$30,000,000	75%
	Sandy Homebuyer Assistance	\$25,000,000	\$24,500,000	98%
	Sandy Special Needs Housing Fund	\$50,000,000	\$37,500,000	75%
Economic Development	Grants/Forgivable Loans to Business	\$100,000,000	\$75,000,000	75%
	Direct Loans to Small Business	\$100,000,000	\$75,000,000	75%
	Neighborhood & Community Revitalization Program	\$75,000,000	\$56,250,000	75%
	Tourism Marketing Campaign	\$30,000,000	\$22,500,000	75%
Infrastructure Programs	New Jersey Energy Resilience Bank	\$200,000,000	\$100,000,000	50%
	Flood Hazard Risk Reduction Program	\$100,000,000	\$80,000,000	80%
	Non Federal Cost Share (Match)	\$250,000,000	\$125,000,000	50%
Support for Government Entities	Unsafe Structures Demolition Program	\$25,000,000	\$23,750,000	95%
	Essential Services Program	\$150,000,000	\$142,500,000	95%
	Zoning/Code Enforcement	\$11,000,000	\$9,900,000	90%
Supportive Services	Supportive Services	\$10,000,000	\$9,000,000	90%
TOTAL	TOTAL FUNDED PROGRAMS	\$3,125,520,000	\$2,613,564,000	84%
Planning and Administration	Planning Grants	\$15,000,000	NA	NA
	Administration	\$152,000,000	NA	NA
TOTAL		\$3,292,520,000		

B-1

New Jersey
Department of Community Affairs
COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY
ACTION PLAN



For CDBG-DR Disaster Recovery Funds
Disaster Relief Appropriations Act of 2013
(Public Law 113-2, January 29, 2013)



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
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(609) 292-6420

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

March 27, 2013

Secretary Shaun Donovan
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410

Dear Secretary Donovan:

On behalf of Governor Chris Christie and the State of New Jersey, I respectfully submit this Community Development Block Grant Disaster Recovery Action Plan. The Plan devotes \$1,829,520,000 in assistance to New Jersey communities, residents and businesses impacted by Superstorm Sandy.

The New Jersey Department of Community Affairs has complied with FR-5696-N-01 by posting the attached Action Plan for the seven days required to allow for public comment on the proposed allocation. The State reviewed all comments received, and incorporated responses into the Action Plan.

As required by the Federal Register Notice, I have also included Standard Form 424 and the Certifications of Proficient Controls, Processes and Procedures with the Action Plan. We look forward to your review, consideration and approval of the Action Plan.

On behalf of the citizens of New Jersey, I am grateful to you and your staff for your continued support as we rebuild our communities in the wake of the storm. If you or your staff have any questions or need additional information regarding this Action Plan, please contact me at (609) 292-6420.

Sincerely,

Richard E. Constable, III
Commissioner

cc: Governor Chris Christie
Marc Ferzan



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- Accessible from TTY devices only

Public Comment: March 12, 2013, 5:00pm (EST) to March 19, 2013 at 5:00pm (EST)

Submitted to HUD: March 27, 2013

Approved by HUD: _____

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Consideration of Public Comments

Certifications Waiver and Alternative Requirement (Certification of proficient controls, processes and procedures has been submitted directly to the appropriate HUD representative)

Standard Form 424 (SF-424)

Appendix A.....Allocation and Method of Distribution

Appendix B

Map Series Illustrating Low and Moderate Income Census Tracts (Overlaid with Storm Damage by County)/Demographic Information by Census Tract

EXECUTIVE SUMMARY

Superstorm Sandy caused unprecedented damage to New Jersey's housing, business, infrastructure, health, social service and environmental sectors.

Superstorm Sandy caused unprecedented damage to New Jersey's housing, business, infrastructure, health, social service and environmental sectors. Indeed, President Obama's October 30th disaster declaration designated all twenty-one New Jersey counties major disaster areas. Yet storm damage was particularly concentrated in communities bordering or near the Atlantic Ocean or the Hudson River, many of which were flooded by Sandy's storm surge. Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties have been identified by the U.S. Department of Housing and Urban Development (HUD) as New Jersey's most impacted areas.

The breadth of Sandy's impact across New Jersey emphasizes the need for a thoughtful and comprehensive long-term recovery process. This Community Development Block Grant Disaster Recovery Action Plan (Action Plan) is part of that process. It quantifies the level of damage known thus far based on current data and describes New Jersey's plan for spending the \$1,829,520,000 Community Disaster Block Grant Disaster Recovery (CDBG-DR) funds, which HUD allocated to New Jersey as part of its initial \$5,400,000,000 fund allocation. CDBG-DR funds must be used to satisfy "unmet needs," that is, financial needs not satisfied by other public or private funding sources like FEMA Individual Assistance funds, Small Business Administration (SBA) disaster loans or private insurance. HUD also requires that CDBG-DR programs focus predominantly, but not exclusively, on the State's most impacted counties and on the State's low and moderate income (LMI) populations.

Gauging Sandy's impact on New Jersey must begin with an analysis of the State's housing sector. Current data suggest that approximately 40,500 owners' primary residences and over 15,600 rental units sustained "severe" or "major" damage according to classifications made by HUD. Additionally, houses determined to be "substantially damaged" – having damages that exceed 50% of a home's pre-disaster value – must be elevated if they are below the federal Advisory Base Flood Elevation maps. Given the breadth of damage and the number of homes that will be required to be elevated, the costs of repairing owners' primary residences and rental units are expected to be substantial. Also, many households displaced by the storm are seeking intermediate or long-term rental housing at a time when rental housing stock has been significantly depleted because of storm damage. Increased demand and limited supply threaten to raise rental prices. This could particularly impact low and moderate income and special needs populations.

Superstorm Sandy also had a widespread and lasting impact on New Jersey's business sector and particularly affected small businesses. The storm caused substantial damage to commercial property and caused short- and long-term business operations losses. Data suggest that businesses in 113 of New Jersey's 565 municipalities incurred a combined \$382,000,000 in commercial property losses

and \$63,900,000 in business interruption losses. While most, if not all, New Jersey industries were impacted, the tourism industry has been particularly affected. While some tourism-driven businesses may require significant rebuilding, certain others on the Jersey Shore that were comparatively less affected are expected to suffer under a general misperception that the entire coastline was decimated by Superstorm Sandy. All of these losses also affected the State's labor market, which in the month after the storm saw more than double the historically expected amount of unemployment claims filed.

Further, the State's infrastructure was badly damaged by Superstorm Sandy. Many lasting images of the storm show its impact on infrastructure. Pictures of the Atlantic Ocean inundating portions of State Route 35, a flooded PATH station in Hoboken, and blacked-out New Jersey homes are all illustrative of the substantial damage to New Jersey roadways, railways, utilities and other infrastructure. Perhaps the most lasting image of the storm – a Seaside Heights roller coaster swept into the Atlantic Ocean – illustrates the impact of wet debris, which continues to be removed from New Jersey waterways.

Superstorm Sandy also increased the need for the State and local governments to provide crucial health and social services. After a natural disaster, the need for health and social services is particularly pronounced. Whether this includes assisting special needs households locate appropriate housing, protecting older adults from financial exploitation, or developing programs to help people cope with added stress of recovering from a natural disaster, post-storm health and social service resources must be provided.

Other sectors were also negatively impacted by Superstorm Sandy. For example, the storm had, and continues to have, an adverse impact on New Jersey's environment. Impacts include beach erosion, compromised levees, and debris strewn across natural habitats. Furthermore, many municipalities are facing storm-induced budget shortfalls due to decreased revenues, increased expenses and declining property tax bases. Because of these impacts there is a risk that, absent assistance, local governments will not be able to continue to fund important services for their communities.

To address the extensive devastation caused by the storm in these various sectors, the State proposes in this Action Plan a range of programs to provide relief. With respect to housing, helping primary residents rebuild is a critical priority. For example, one program provides grants up to \$150,000 to eligible homeowners for reconstruction, rehabilitation, elevation, and mitigation efforts for their homes. This program also provides for reimbursement to eligible homeowners that have begun to rebuild. Per HUD requirements, this program is limited to primary residences; vacation homes or non-primary residences are not eligible for CDBG-DR funds. In addition, another program offers grants of \$10,000 to eligible homeowners who are facing significant short-term pressure to sell or abandon their properties to incentivize them to remain as part of the fabric of their communities. Moreover, the State proposes a separate program that provides financial assistance to eligible home buyers to address the increased challenges of obtaining affordable housing subsequent to the storm. The State also proposes a comprehensive group

There is a risk that, absent assistance, local governments will not be able to continue to fund important services for their communities.

Economic recovery and revitalization also is a central component of the State's long-term recovery effort.

of programs to alleviate the rental stock shortage caused by the storm by increasing available rental units.

Economic recovery and revitalization also is a central component of the State's long-term recovery effort. Per HUD's guidance, CDBG-DR funds must be directed to assist small businesses. To help those businesses, the State proposes to provide grants and low-cost loans to eligible small businesses to promote recovery, resumption of business and long-term sustainability. The State also proposes programs that will spur economic revitalization by improving public facilities (e.g., streetscapes, lighting, sidewalks) and further assisting businesses. Finally, having received a waiver from HUD, the State proposes using \$25,000,000 of CDBG-DR funds for a tourism marketing campaign to inform tourists that much of the Jersey Shore is open for business in 2013.

While the housing and economic sectors are the focus of the first tranche of CDBG-DR funds, the State also recognizes other important unmet needs. The State proposes to use CDBG-DR funds to assist localities at risk of not being able to fund important services for their communities because of storm-related expenditures. The Action Plan also proposes that funds be allocated to subsidize the local match component of projects funded by FEMA's Public Assistance program, which may include infrastructure and environmental projects. The State also would allocate funds for critical health and social services to better ensure that populations most in need have those services available. And the State proposes to provide funding to assist with code enforcement to better expedite the recovery and rebuilding process. Appendix A to the Action Plan contains charts detailing the funding allocation for each proposed program and how the State will satisfy HUD's requirement that 80% of CDBG-DR funding target the State's most significantly impacted counties as identified by HUD.

This Action Plan merely begins to address New Jersey's substantial unmet needs after Superstorm Sandy. As damage and impact assessment continues and additional tranches of CDBG-DR funding are provided by HUD, the State expects to continue to prioritize programs that focus on unmet needs and offer additional assistance to affected New Jerseyans.

SECTION 1: INTRODUCTION

The State is committed to implementing a thoughtful, comprehensive strategy that expeditiously, efficiently and effectively addresses the State's long-term recovery, rebuilding and revitalization needs.

On October 29, 2012, Superstorm Sandy made landfall near Atlantic City, New Jersey. The storm surge, which measured 8.9 feet at its highpoint in Sandy Hook, inundated and severely affected regions of the State's shore from Cape May to Raritan Bay, including the barrier islands and many areas along the Hudson River. Other overland flooding, wind damage, and an ensuing snowstorm further damaged these communities as well as other communities throughout New Jersey. Superstorm Sandy affected, in some way, virtually every household, business and community in New Jersey.

In the immediate aftermath of the storm, New Jersey quickly embarked on the road to recovery. Millions of cubic yards of debris have been removed from impacted communities. Risks to public health and welfare were addressed. Essential infrastructure, including roadways, railways, and utilities were restored. And countless other steps were undertaken by the State, by local communities and by New Jersey citizens to pick up the pieces with the support of federal agency partners. Short-term response now has given way to focus on long-term recovery and rebuilding. The State is committed to implementing a thoughtful, comprehensive strategy that expeditiously, efficiently and effectively addresses the State's long-term recovery, rebuilding and revitalization needs.

To assist New Jersey's and other disaster-impacted states' recovery efforts, the federal government enacted the Disaster Relief Appropriations Act of 2013 (Public Law 113-2, approved January 29, 2013) (the Act). The Act appropriates monies targeted for disaster recovery to various federal agencies. Among those monies, the federal government appropriated \$16,000,000,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to be split among states that experienced natural disasters in 2011 or 2012, or that experience natural disasters in 2013, which the President declared or declares to be Major Disasters. These CDBG-DR funds are administered by HUD and are to be used to address unmet disaster recovery needs, that is, funding needs not satisfied by other public or private funding sources like FEMA Individual Assistance, SBA Disaster Loans or private insurance. Per an evaluation performed by HUD, New Jersey will receive \$1,829,520,000 of the initial \$5,400,000,000 CDBG-DR fund distribution to assist the State's recovery efforts. Additional allocations are expected to be made at a subsequent date to be determined by HUD. Funds must be spent within two years unless HUD provides an extension.

CDBG-DR funds appropriated in the Act are subject to additional guidance provided by HUD in the Federal Register (FR-5696-N-01). For example, HUD requires that each grantee expend at least 80% of its allocation in the most impacted and distressed counties, which in New Jersey HUD identified to be Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties. Funds only can be used for eligible disaster-related activities unless HUD provides a

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This Action Plan was developed after having received considerable input from other State departments and agencies, affected communities and stakeholder groups and with support from federal government partners.

waiver. Moreover, sufficient monitoring protections must be in place to prevent waste, fraud and abuse. And as a precondition to receiving CDBG-DR funds, New Jersey must submit a comprehensive Action Plan that details its unmet needs and describes the proposed uses of CDBG-DR funds to address those needs.

New Jersey Action Plan

Governor Christie has designated the New Jersey Department of Community Affairs (DCA) as the entity responsible to HUD for administering the distribution of CDBG-DR funds for New Jersey. This Action Plan was developed after having received considerable input from other State departments and agencies, affected communities and stakeholder groups and with support from federal government partners.

Section 2 of the Action Plan provides an impact and unmet needs assessment that details many of the impacts of Superstorm Sandy and identifies the State's current projection of unmet need. The unmet needs assessment is based on currently available data and likely will change. The State will continue to refine its unmet needs assessment as more data become available.

Section 3 outlines disaster relief and long-term recovery activities, focusing on the reconstruction and rehabilitation of primary residences and rental properties, assisting small businesses and promoting economic revitalization, and restoring critical infrastructure. Within each area, the State will focus on meeting the needs of low and moderate income populations and the most impacted counties as identified by HUD.

Section 4 sets forth New Jersey's proposed programs. While housing and economic recovery are the leading priorities that will be addressed with the first allocation of CDBG-DR funds from HUD, the State also proposes to allocate CDBG-DR funds to support infrastructure projects, enable municipalities to provide essential services to their communities, address health and social services for individuals in need, and provide code enforcement support to localities.

Section 5 addresses New Jersey's performance schedule for its proposed programs. At this time, it is premature to set out detailed performance metrics. The State will timely amend its Action Plan to describe performance metrics when appropriate.

Section 6 describes other criteria pertaining to New Jersey's use of CDBG-DR funds based on HUD guidance.

Amendments to this Action Plan likely will be necessary at different points throughout the long-term recovery. As additional needs are identified and prioritized and additional CDBG-DR monies are allocated to New Jersey by HUD, new programs may be added or existing programs may be altered in a manner necessitating amendment.

SECTION 2: IMPACT AND UNMET NEEDS ASSESSMENT



2.1 Background

HUD requires the State to complete an unmet needs assessment that quantifies the funding needed for recovery. The assessment is used to determine the extent of unmet needs and to help prioritize among those needs, with a focus on low and moderate income households and the most impacted counties. The assessment must evaluate three core recovery sectors: (1) housing; (2) the economy; and (3) infrastructure. Data sources relied on in this assessment include:

- Federal Emergency Management Agency (FEMA) Individual Assistance (IA) Data
- Federal Emergency Management Agency Inundation Shapefiles
- Federal Emergency Management Agency Public Assistance (PA) Data
- Federal Emergency Management Agency Point Surveys
- Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) 2012 Data
- InfoUSA Business Records
- Local, Municipal and County Governments
- Marshall and Swift Construction Cost Estimator
- National Atmospheric and Oceanic Administration Data
- New Jersey Board of Public Utilities
- New Jersey Department of Banking and Insurance
- New Jersey Department of Children and Families
- New Jersey Department of Community Affairs
- New Jersey Department of Education
- New Jersey Department of Environmental Protection
- New Jersey Department of Health
- New Jersey Department of Human Services
- New Jersey Department of Labor and Workforce Development
- New Jersey Department of Transportation
- New Jersey Economic Development Authority

2-1

- New Jersey Housing Mortgage Finance Agency
- New Jersey Redevelopment Authority
- Rutgers University
- Small Business Administration (SBA) data
- U.S. Census data

2.2 Summary of Impact and Unmet Needs

According to HUD, “unmet needs” are financial resources necessary to recover from a disaster that are not satisfied by other public or private funding sources like FEMA Individual Assistance, SBA Disaster Loans, or private insurance. Per HUD’s guidelines that an unmet needs analysis focus on the housing, economic and infrastructure sectors, Table 2-1 reflects New Jersey’s current unmet needs in these three sectors. The figures reflect the most recent HUD guidance related to determining unmet housing needs. The table, and others below, have been updated to reflect the most recently available FEMA Individual Assistance data as of March 12, 2013. The figures likely will change as more recent, geographically specific, and precise data are compiled and analyzed.

	Need	Funds Disbursed/ Eligible	Unmet Need
Housing	\$4,458,185,055	\$1,953,191,063.00	\$2,504,993,992
Businesses	\$1,873,278,430	\$145,465,017	\$1,727,813,413
Infrastructure/Community Facilities	\$25,440,800,963	\$10,942,262	\$25,432,594,266
Total	\$31,772,264,448	\$2,109,598,342	\$29,665,401,671

Sources: FEMA Individual Assistance and Public Assistance data, SBA claims, insurance claims provided by the New Jersey Department of Banking and Insurance, InfoUSA, NOAA and input from State agencies effective March 12, 2013.
**Note: Infrastructure funds have either been disbursed or are eligible under FEMA Public Assistance. FEMA Public Assistance recipients will likely be required to provide 25% match reflected in the Unmet Need calculation.*

Of course, the State’s unmet needs extend far beyond the housing, economic and infrastructure sectors. New Jersey’s recovery effort must focus not only on economic recovery, but also economic revitalization, which is not captured within Table 2-1. New Jersey also must provide critical health and social services to certain populations affected by Superstorm Sandy, protect municipalities from losing critical services as a result of the storm, and address environmental issues. CDBG-DR funds must begin to address these unmet needs as well.

Although the State has an estimated \$25,432,594,266 in unmet infrastructure and community facility needs, there is an urgent need to expand the supply of affordable housing, to stimulate economic activity and to replace housing stock lost to the storm. The State is working diligently with the federal government to expedite additional CDBG-DR funds, which could be used to address unmet infrastructure needs.

2.2.1 Impact on New Jersey Communities

Per HUD guidance, the State has undertaken an analysis below that summarizes storm damage to heavily impacted communities in the nine most impacted New Jersey counties as determined by HUD and provides a description of demographic information about these communities and counties. The data were generated using the 2011 American Community Survey 5-Year Survey data and FEMA Individual Assistance Data (effective March 12, 2013). Additionally, Appendix B of the Action Plan provides a detailed chart summarizing demographic information by census tract in heavily impacted communities.

Atlantic County

As a result of Superstorm Sandy, 9% of the households in Atlantic County had homes that sustained “severe” or “major” damage, as those terms are defined by HUD. According to HUD, “severe” damage is defined as homes FEMA determined to have greater than \$28,800 worth of physical damage or more than four feet of flooding on the first floor, while “major” damage is defined as homes FEMA determined to have between \$8,000 and \$28,799 worth of physical damage or more than one foot of flooding on the first floor. One census tract within Brigantine had more than 50% of households experience major or severe damage, another five communities had between 25% and 49% of households experience such damage, and 16 census tracts had between 10% and 24% of households experience such damage.

Fourteen percent of Atlantic County’s year round population is 65 years or older and 34% of those individuals have a disability. Disability information is not available at the census tract level. Atlantic County also contains a significant number of second homes, including many in heavily damaged communities.

The following table provides demographic information about Atlantic County and these impacted census tracts specifically.

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Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
ATLANTIC COUNTY		9%	102,873	\$55,222	7%	15%	6%	0%	67%	12%	71%	29%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of Langport	34001013500	16%	1,069	\$103,558	12%	0%	0%	0%	99%	0%	93%	7%
Atlantic City	34001001300	41%	804	\$38,804	12%	72%	2%	0%	15%	3%	42%	58%
Atlantic City	34001000500	38%	1,036	\$27,090	6%	9%	32%	2%	28%	31%	43%	57%
Atlantic City	34001000100	36%	909	\$36,767	8%	22%	3%	1%	46%	30%	41%	59%
Atlantic City	34001000300	28%	1,388	\$35,525	14%	5%	23%	1%	32%	38%	28%	72%
Atlantic City	34001001200	24%	1,195	\$35,867	13%	82%	4%	0%	0%	13%	45%	55%
Atlantic City	34001000200	24%	1,480	\$43,235	20%	5%	21%	0%	64%	10%	66%	34%
Atlantic City	34001002300	20%	774	\$30,407	6%	6%	43%	1%	17%	33%	34%	66%
Atlantic City	34001001400	17%	1,517	\$26,250	13%	72%	1%	3%	11%	16%	28%	72%
Atlantic City	34001012000	15%	1,628	\$36,571	16%	41%	9%	0%	29%	17%	65%	35%
Atlantic City	34001002500	12%	1,869	\$26,988	30%	59%	5%	0%	27%	9%	39%	61%
Atlantic City	34001001100	10%	1,184	\$20,129	28%	82%	2%	0%	9%	5%	18%	82%
City of Brigantine	34001010101	50%	1,393	\$84,492	8%	0%	2%	0%	97%	1%	89%	11%
City of Brigantine	34001010102	19%	921	\$55,880	13%	1%	5%	0%	90%	2%	65%	35%
Margate City	34001013102	27%	753	\$57,650	22%	2%	0%	0%	95%	3%	58%	42%
Margate City	34001013101	22%	665	\$74,028	13%	0%	3%	0%	97%	0%	92%	8%
Margate City	34001013000	16%	1,755	\$84,226	19%	1%	1%	0%	94%	4%	80%	20%
City of Pleasantville	34001012100	12%	821	\$49,653	5%	32%	2%	0%	29%	34%	63%	37%
Ventnor City	34001013202	14%	962	\$42,500	13%	6%	3%	0%	80%	11%	56%	44%
Ventnor City	34001013302	13%	1,386	\$48,750	15%	1%	0%	0%	81%	15%	62%	38%
Ventnor City	34001013201	10%	998	\$54,286	16%	1%	4%	0%	74%	18%	59%	41%
Ventnor City	34001013301	10%	1,200	\$66,917	14%	0%	0%	0%	96%	3%	73%	27%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013
**For this table and other tables in this subsection, the analysis is limited to Census tracts that contain at least 90 homes that sustained severe or major damage from the storm. Additionally, consistent with U.S. Census data, "Hispanic Households" are identified separately from demographic information by race, and Hispanic Households may be of any racial background. Finally, rows identifying information about a county as a whole take into account all communities within the county, not only those identified in the tables.*

Bergen County

As a result of Superstorm Sandy, 1% of the households in Bergen County had homes that sustained "severe" or "major" damage. Damage is largely concentrated in communities along the Hackensack River in Little Ferry, Moonachie, and Hackensack. The homes with major or severe damage in Bergen County account for almost 5% of all major and severe damage across the State. The vast majority of damage occurred to owner-occupied homes.

Within Bergen, two census tracts had more than 50% of households experience severe or major damage, and one census tract had between 25% and 49% of households experience such damage.

In Bergen County, 8% of the residents report a disability and 7% of the households is over age 65 and living alone. The following table provides demographic information about Bergen County and these impacted census tracts specifically.

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Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
BERGEN COUNTY		1%	346,892	\$83,443	7%	6%	12%	0%	67%	14%	66%	34%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of Hasbrouck Heights	34003036200	64%	1,011	\$56,411	7%	2%	5%	0%	78%	14%	80%	20%
Borough of Little Ferry	34003029200	51%	2,336	\$63,352	8%	1%	17%	1%	62%	20%	53%	47%
Borough of Little Ferry	34003029100	10%	1,888	\$51,796	12%	7%	31%	0%	47%	13%	33%	67%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Cape May County

As a result of Superstorm Sandy, 5% of the households in Cape May County had homes that sustained “severe” or “major” damage, totaling 2,446 units. Cape May County includes New Jersey’s southern-most coastal communities. More than half of the County’s 98,400 homes are used as seasonal vacation homes. While most homes are seasonal, the year-long residents who reside in these communities and fuel the local economy can largely be described as working families. More than half the households in all of the impacted communities earn less than the State median income. Within Cape May County, one census tract had between 25% and 49% of households experience severe or major damage, and seven census tracts had between 10% and 24% of households experience such damage.

In Cape May County, 13% of the residents report a disability and 10% of the households are over 65 years of age and living alone. The following table provides demographic information about Cape May County and these impacted census tracts specifically.

Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
CAPE MAY COUNTY		5%	45,185	\$55,315	10%	4%	0%	0%	91%	4%	74%	26%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of West Wildwood	34009021400	18%	1,982	\$27,778	16%	5%	1%	0%	74%	19%	46%	54%
City of North Wildwood	34009021300	11%	2,106	\$47,454	20%	1%	0%	0%	99%	0%	74%	26%
City of Ocean City	34009020206	30%	463	\$71,250	9%	9%	0%	0%	89%	3%	73%	27%
City of Ocean City	34009020101	19%	1,641	\$54,089	16%	9%	0%	1%	87%	3%	54%	46%
City of Ocean City	34009020102	19%	1,275	\$65,160	18%	1%	0%	0%	96%	4%	61%	39%
City of Ocean City	34009020205	17%	637	\$35,542	30%	0%	0%	0%	100%	0%	73%	27%
City of Ocean City	34009020203	15%	1,402	\$54,414	22%	1%	0%	0%	99%	0%	65%	35%
City of Ocean City	34009020201	10%	719	\$89,018	19%	0%	0%	0%	100%	0%	85%	15%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

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Essex County

As a result of Superstorm Sandy, less than 1% of the households in Essex County had homes that sustained “severe” or “major” damage, totaling 397 units. While a relatively smaller percentage of units in Essex County experienced severe or major damage, flooding was widespread. In Essex County 3,100 units experienced some level of damage, including 71% owner units and 29% rental units. No census tract in Essex had more than 10% of households with severe or major damage to the units. In Essex County, 10% of the resident report a disability and 4% of the households is over the age of 65 and living alone.

The following table provides demographic information about Essex County.

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
ESSEX COUNTY		0.1%	289,858	\$55,876	4%	40%	4%	0%	39%	16%	48%	52%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Hudson County

As a result of Superstorm Sandy, 2% of the households in Hudson County had homes that sustained “severe” or “major” damage, totaling 4,407 units. Flooding was concentrated in Jersey City, Bayonne, and Hoboken. In these areas, 3,702 units experienced major or severe damage, including 62% to owner units and 38% to rental units. Within Hudson County, seven census tracts had between 10% and 24% of households experience severe or major damage.

In Hudson County, 9% of the residents report a disability and 3% of households is over age 65 and living alone. The following table provides demographic information about Hudson County and these impacted census tracts specifically.

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
HUDSON COUNTY		1.9%	237,272	\$57,690	3%	13%	12%	0%	38%	37%	34%	66%
CENSUS TRACTS WITH DAMAGED HOMES												
City of Bayonne	34017006100	15%	2,317	\$60,147	4%	32%	17%	4%	23%	23%	47%	53%
City of Hoboken	34017018600	12%	1,157	\$92,216	8%	0%	2%	0%	83%	14%	33%	67%
City of Hoboken	34017018900	11%	1,766	\$100,373	7%	1%	4%	0%	85%	9%	24%	76%
City of Hoboken	34017019100	11%	1,902	\$87,813	13%	3%	7%	0%	67%	24%	21%	79%
City of Jersey City	34017008400	17%	1,525	\$86,920	6%	6%	17%	0%	56%	19%	27%	73%
City of Jersey City	34017006500	14%	801	\$63,859	8%	8%	11%	0%	41%	37%	32%	68%
Town of Harrison	34017013800	18%	640	\$58,611	3%	3%	24%	0%	50%	20%	47%	53%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Middlesex County

As a result of Superstorm Sandy, less than 1% of the households in Middlesex County had homes that sustained “severe” or “major” damage, totaling 1,975 units. Flooding occurred along the South River and along the coast facing Staten Island. Within Middlesex County, three census tracts had between 25% and 49% of households experience severe or major damage, the Borough of Carteret, the Borough of Sayreville, and the Township of Woodbridge.

Eight percent of Middlesex County residents report a disability and 6% of the households are over the age of 65 and living alone. The following table provides demographic information about Middlesex County and these impacted census tracts specifically.

Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
MIDDLESEX COUNTY		0.7%	290,321	\$78,622	6%	10%	17%	0%	57%	15%	67%	33%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of Carteret	34023003600	10%	2,257	\$58,818	8%	10%	13%	0%	44%	32%	52%	48%
Borough of Sayreville	34023007101	16%	1,287	\$112,517	12%	6%	14%	0%	62%	17%	93%	7%
Township of Woodbridge	34023002901	14%	1,127	\$79,896	6%	9%	10%	1%	60%	19%	74%	26%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Monmouth County

As a result of Superstorm Sandy, 5% of the households in Monmouth County had homes that sustained “severe” or “major” damage, totaling 11,467 units. Monmouth County represents 18% of all major and severe housing damage in the State. A large percentage of the housing units in Keansburg, Highlands, Union Beach, and Sea Bright sustained major and severe damage. Of these communities, Long Branch, Keansburg and Union Beach have significant lower income populations. Within Monmouth County, two census tracts had more than 50% of households experience severe or major damage, six census tracts had between 25% and 49% of households experience such damage, and seven census tracts had between 10% and 24% of households experience such damage.

Seven percent of Monmouth County’s households are over 65 years of age and living alone and 9% of households report a disability. The following table provides demographic information about Monmouth County and these impacted census tracts specifically.

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Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter Occupied Households
MONMOUTH COUNTY												
		5.0%	231,068	\$83,842	7%	7%	4%	0%	81%	7%	76%	24%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of Avon-by-the-Sea	34025808300	16%	952	\$78,500	19%	0%	0%	0%	97%	3%	65%	35%
Borough of Avon-by-the-Sea	34025808001	12%	1,827	\$89,479	11%	1%	0%	0%	96%	2%	97%	3%
Borough of Belmar	34025808401	33%	1,135	\$64,375	19%	1%	0%	0%	85%	13%	43%	57%
Borough of Belmar	34025808402	18%	1,487	\$58,505	10%	3%	3%	0%	77%	15%	49%	51%
Borough of Highlands	34025800100	34%	2,455	\$78,860	8%	1%	0%	0%	93%	4%	73%	27%
Borough of Keansburg	34025801700	30%	1,772	\$52,804	6%	7%	1%	0%	76%	15%	51%	49%
Borough of Keansburg	34025801600	17%	2,150	\$35,982	15%	3%	0%	0%	86%	9%	60%	40%
Borough of Little Silver	34025805300	21%	2,012	\$88,732	13%	1%	4%	0%	95%	0%	88%	12%
Borough of Manasquan	34025806302	56%	1,243	\$93,229	12%	0%	0%	0%	99%	1%	75%	25%
Borough of Marmouth Beach	34025804100	34%	1,619	\$82,188	13%	1%	2%	0%	95%	1%	82%	18%
Borough of Marmouth Beach	34025805400	32%	1,718	\$63,974	13%	19%	4%	0%	67%	10%	63%	37%
Borough of Oceanport	34025805500	21%	1,320	\$49,802	3%	33%	3%	0%	48%	17%	44%	56%
Borough of Sea Bright	34025812100	51%	769	\$77,950	7%	3%	3%	0%	81%	9%	58%	42%
Borough of Union Beach	34025801800	25%	2,102	\$65,654	7%	2%	1%	1%	91%	6%	83%	17%
Township of Middletown	34025800500	20%	1,482	\$106,250	4%	1%	1%	0%	86%	10%	88%	12%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013

Ocean County

As a result of Superstorm Sandy, 11% of the households in Ocean County had homes that sustained “severe” or “major” damage. As a community with a large number of vacant second homes, Ocean County’s year-round residents include lower-income persons and retirees who will have challenges in the recovery. Within Ocean County, 10 census tracts had more than 50% of households experience severe or major damage, seven census tracts had between 25% and 49% of households experience such damage, and 13 census tracts had between 10% and 24% of households experience such damage.

Seventeen percent of Ocean County’s year round population is 65 years or older and 32% of those individuals has a disability. The following table provides demographic information about Ocean County and these impacted census tracts specifically.

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Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter-Occupied Households
OCEAN COUNTY		10.3%	216,386	\$60,712	14%	3%	1%	0%	90%	5%	82%	18%
CENSUS TRACTS WITH DAMAGED HOMES												
Borough of Barnegat Light	34029738100	19%	864	\$103,021	18%	0%	2%	0%	97%	1%	96%	4%
Borough of Bay Head	34029712000	57%	714	\$101,136	21%	0%	1%	0%	99%	0%	88%	12%
Borough of Beach Haven	34029738002	51%	795	\$69,836	16%	0%	0%	1%	97%	1%	81%	19%
Borough of Beachwood	34029724000	15%	1,081	\$61,055	4%	20%	1%	0%	64%	15%	79%	21%
Borough of Island Heights	34029723500	14%	1,111	\$63,386	10%	3%	3%	0%	92%	1%	75%	25%
Borough of Lafayette	34029727001	68%	980	\$61,667	23%	0%	0%	0%	100%	0%	84%	16%
Borough of Lafayette	34029722500	66%	757	\$64,485	27%	0%	0%	0%	99%	1%	92%	8%
Borough of Ocean Gate	34029729000	41%	714	\$65,625	12%	4%	0%	0%	92%	4%	73%	27%
Borough of Point Pleasant	34029713700	29%	1,091	\$108,946	12%	0%	0%	0%	99%	1%	89%	11%
Borough of Point Pleasant	34029710100	25%	2,150	\$61,476	15%	0%	1%	0%	96%	3%	56%	44%
Borough of Point Pleasant	34029711400	11%	2,335	\$87,487	11%	0%	0%	0%	97%	2%	89%	11%
Borough of Seaside Heights	34029727002	57%	731	\$57,614	26%	0%	0%	0%	98%	2%	88%	12%
Borough of Seaside Heights	34029728000	34%	2,799	\$41,230	12%	2%	0%	0%	91%	6%	52%	48%
Borough of Ship Bottom	34029739000	15%	1,287	\$60,341	16%	0%	0%	0%	97%	2%	81%	19%
Borough of Tuckerton	34029737000	14%	1,316	\$56,577	14%	0%	2%	1%	95%	2%	69%	31%
Township of Berkeley	34029731001	30%	1,388	\$78,472	10%	1%	0%	0%	96%	3%	95%	5%
Township of Berkeley	34029731002	28%	1,448	\$68,550	9%	0%	0%	0%	92%	8%	90%	10%
Township of Brick	34029714400	57%	352	\$66,944	26%	0%	0%	0%	98%	2%	100%	0%
Township of Brick	34029714300	53%	1,354	\$88,393	8%	1%	0%	0%	99%	1%	95%	5%
Township of Brick	34029714200	24%	2,451	\$74,122	4%	5%	0%	0%	87%	6%	79%	21%
Township of Brick	34029713800	19%	1,378	\$90,714	8%	1%	1%	0%	97%	1%	84%	16%
Township of Brick	34029714100	12%	1,586	\$47,021	35%	0%	2%	0%	98%	1%	97%	3%
Township of Eagleswood	34029735103	57%	2,345	\$67,583	11%	1%	1%	0%	93%	6%	86%	14%
Township of Eagleswood	34029736002	24%	612	\$64,457	10%	1%	2%	0%	94%	2%	88%	12%
Township of Lacey	34029732103	18%	1,082	\$70,714	11%	0%	0%	0%	96%	4%	94%	6%
Township of Lacey	34029732104	14%	1,616	\$72,438	8%	1%	1%	0%	95%	3%	88%	12%
Township of Lacey	34029732101	11%	2,328	\$77,190	12%	0%	0%	0%	95%	5%	92%	8%
Township of Little Egg Harbor	34029736105	79%	1,801	\$52,163	11%	0%	0%	0%	93%	4%	85%	15%
Township of Long Beach	34029738001	73%	986	\$85,515	13%	0%	1%	0%	98%	1%	93%	7%
Township of Toms River	34029723400	30%	1,385	\$78,694	9%	0%	0%	0%	94%	6%	92%	8%
Township of Toms River	34029722401	17%	1,978	\$75,132	8%	0%	3%	0%	93%	4%	83%	17%
Township of Toms River	34029722402	16%	1,495	\$86,402	6%	0%	2%	0%	94%	4%	89%	11%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Union County

As a result of Superstorm Sandy, less than 1% of the households in Union County had homes that sustained "severe" or "major" damage, totaling 643 units, but minor damage was common. In total, 2,998 units experienced some level of damage, including 80% owner units and 20% rental units. Within Union County, one

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census tract had between 10% and 24% of households experience major or severe damage.

In Union County, 9% of the residents report a disability and 6% of the households are over age 65 and living alone. The following table provides demographic information about Union County and these impacted census tract specifically.

Municipality	Census Tract	% of Households with Major/ Severe Damage	Households	Median HH Income	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	% Owner-Occupied Households	% Renter-Occupied Households
UNION COUNTY		0.4%	160,761	\$68,688	6%	22%	4%	0%	51%	22%	66%	46%
CENSUS TRACTS WITH DAMAGED HOMES												
City of Linden	34039035400	12%	954	\$57,727	15%	11%	3%	0%	69%	16%	63%	37%

Source: US Census American Community Survey, 2006-2011 Averages and FEMA Individual Assistance Records as of March 12, 2013.

Information provided in the preceding analyses will be used to ensure that funds are targeted where damage occurred. In addition, the State is in the process of standing up centers in each of the most impacted counties to assist communities with the recovery effort. Demographic information referenced above is being used for, among other things, assessing language barriers and case management needs to be accounted for in standing up these centers to maximize the benefit to impacted New Jerseyans.

2.3 Housing

Superstorm Sandy significantly impacted New Jersey’s housing sector. Using the methodology outlined in HUD’s Federal Register Notice (FR-5696-N-01) of FEMA Individual Assistance data effective March 12, 2013, approximately 40,500 owners’ primary residences and 15,600 renter-occupied homes sustained “severe” or “major” physical damage. Stated differently, of residences (excluding second homes

per HUD requirements) that sustained severe or major damage as a result of Superstorm Sandy, owner-occupied primary residences comprise 72% of the universe and renter-occupied units comprise 28% of that universe. Current data also indicate that 25,794 total residences sustained “minor” damage (19,505 owner-occupied properties and 6,289 rental units), that is, damage between \$1 and \$7,999 as determined by FEMA.

Table 2-2 Housing Damage by Severity for FEMA Individual Assistance Applicants

	Minor	Major	Severe	Total
Owned	19,505	28,946	11,520	59,971
Rented	6,289	12,544	3,067	21,900
Total	25,794	41,490	14,587	81,871

Source: FEMA Individual Assistance Data, effective March 12, 2013

Table 2-3 Damage Categories by FEMA Full Verified Loss (FVL) Designations

Category	Owner		Renter	
	Reported FVL	Flood Depth	Reported FVL	Flood Depth
Minor	\$1 - \$7,999	0' - 1'	\$1 - \$1,999	0' - 1'
Major	\$8,000 - \$28,799	1' - 4'	\$2,000 - \$7,499	1' - 4'
Severe	\$28,000+	4' +	\$7,500+	4' +

Source: HUD and FEMA Individual Assistance Data, effective March 12, 2013

Table 2-2 describes housing damage by severity among FEMA Individual Assistance applicants who occupied homes in Coastal Zone A, Coastal Zone V, or other areas, while Table 2-3 reflects the estimated extent of damage to a housing unit using HUD’s “minor,” “major,” and “severe” damage categorizations.

The State also has tracked the number of letters from flood-plain managers formally identifying properties as “substantially damaged,” where repair costs exceed 50% of the structure’s pre-disaster value. As of March 8, 2013, 2,995 such letters have been issued. Based on discussions with floodplain managers, more than 18,000 homes are estimated to be “substantially damaged,” though this figure is preliminary and is expected to increase significantly as verification of housing damages continues.

The location of FEMA Individual Assistance registrants with reported housing damage also may reflect the extent and concentration of damage to New Jersey’s housing stock. Based on the FEMA Individual Assistance data as of March 12, 2013, the greatest concentrations of housing damage are located in Atlantic (16%), Bergen (5%), Cape May (4%), Essex (1%), Hudson (8%), Middlesex (4%), Monmouth (20%), Ocean (40%) and Union (1%) Counties. These nine counties account for 98% of reported housing damage in New Jersey. Table 2-4 reflects reported homes that sustained severe or major damage by county.

These figures merely scratch the surface in examining the extent of damage Superstorm Sandy visited on New Jersey’s housing stock. To more fully address the extent of that impact, it is necessary to examine the storm’s impact on homeowners, rental stock, displaced populations, New Jersey’s low and moderate income population and the most vulnerable households.

2.3.1 Impact on Homeowners

Homeowners throughout New Jersey were significantly affected by Superstorm Sandy. Based on data reflected in Table 2-5, approximately 59,971 owners’ primary residences sustained some amount of physical damage. Of this number, 40,466 homes sustained severe or major damage.

FEMA, in order to promote stronger, safer rebuilding, published Advisory Base Flood Elevation maps (ABFEs) for the State of New Jersey, which advise a significant expansion of New Jersey’s 100-year floodplain. Data suggest that more than 33,000 residential structures that were not in the floodplain under the current FEMA Base Flood Elevation maps are now within the floodplain under the newly released ABFEs (Table 2-6). FEMA had been remapping the floodplain along New Jersey’s coastline for two years when Sandy hit. The ABFEs were established as the best available data because FEMA’s current, formally adopted maps are outdated and do not accurately reflect flood risk. It may take FEMA 18 to 24 months before the final updated maps are formally adopted through the federal regulatory process.

Homeowners whose homes are determined to be “substantially damaged,” by a floodplain manager must rebuild to FEMA’s ABFEs. Many of these homeowners likely will be required to elevate their homes. Without financial support, the added costs of housing elevations likely will be overly burdensome. Homeowners of structures that were not “substantially damaged” by Sandy may not be facing mandatory elevation requirements in the short term, but may face significant increases in insurance premiums if they do not elevate their houses in compliance with the final maps adopted by FEMA over the next two years.

Table 2-4 Housing Stock with Flood Damage as a Result of Superstorm Sandy

County	Total Housing Units with Major/Severe Damage
OCEAN	22,240
MONMOUTH	11,467
ATLANTIC	8,744
HUDSON	4,407
BERGEN	2,848
MIDDLESEX	1,975
CAPE MAY	2,446
UNION	643
ESSEX	397
CAMDEN	100
SALEM	172
SOMERSET	73
CUMBERLAND	144
BURLINGTON	138
MERCER	35
PASSAIC	36
MORRIS	71
GLOUCESTER	45
SUSSEX	50
WARREN	25
HUNTERDON	19
Missing County Data	2
Total	56,077
<i>Source: FEMA Individual Assistance Data effective March 12, 2013</i>	

Income Level	Amount of Damage			
	Minor	Major	Severe	Total
Less than 80% Area Median Income	9,592	11,516	4,278	25,386
NFIP Zone A	1,444	7,438	2,500	11,382
NFIP Zone V	221	2,820	1,457	4,498
*All Other Zones	7,927	1,258	321	9,506
80% - 120% Area Median Income	4,165	6,715	2,773	13,653
NFIP Zone A	762	4,491	1,700	6,953
NFIP Zone V	149	1,664	894	2,707
*All Other Zones	3,254	560	179	3,993
Greater than 120% Area Median Income	3,855	8,266	3,505	15,626
NFIP Zone A	916	5,474	2,197	8,587
NFIP Zone V	185	2,146	1,045	3,376
*All Other Zones	2,754	646	263	3,663
No Income Data	1,893	2,449	964	5,306
NFIP Zone A	306	1,598	556	2,460
NFIP Zone V	74	610	330	1,014
*All Other Zones	1,513	241	78	1,832
All Homeowners	19,505	28,946	11,520	59,971

Source: FEMA Individual Assistance Data effective March 12, 2013 and FEMA ABFE maps
**Includes areas not yet determined by FEMA under ABFE*

Compounding the importance of housing elevation assistance, federal legislation passed in 2012 removes insurance subsidies and bases premiums on actual flood risk which likely will significantly increase flood insurance costs for homeowners residing within a floodplain. Therefore, housing elevation assistance is a critical need for many of these homeowners in order to avoid pricing them out of their current residences.

Based on available data, as well as input from federal and state departments and agencies, local communities, stakeholder groups and citizens, New Jersey's owner-occupied housing needs include:

- Assisting homeowners with the reconstruction or rehabilitation of their homes;
- Assisting homeowners in Sandy-impacted communities who are now required to elevate their "substantially damaged" homes to meet ABFEs;
- Providing case management and technical assistance to help homeowners navigate the rebuilding and reconstruction process;
- Providing interim assistance to Sandy-impacted homeowners to encourage them to resettle and reoccupy homes they owned prior to the storm; and

- Providing buyout assistance where appropriate for homeowners residing in flood-prone areas where large scale buyouts would serve a public health and safety benefit, as well as an environmental benefit.

	Total Units
Structures within 100-year flood plain pre-ABFEs	234,448
Structures within 100-year flood plain with new ABFE guidelines	267,944

Source: FEMA HAZUS Multi-Hazard version 2.1

2.3.2 Impact on Rental Stock

Based on current data, approximately 27% of all housing damage occurred to rental stock, equivalent to 21,900 units, with 15,611 rental units sustaining severe or major damage. Table 2-7 reflects damage to New Jersey rental housing stock by severity of damage.

As a result of the storm, there is a significant shortage of rental housing in the State, particularly in the most impacted communities. Local officials and realtors in some of those communities have described rental stock as virtually non-existent.

Table 2-7 Renters with Housing Damage by Severity				
Income Level	Amount of Damage			
	Minor	Major	Severe	Total
Less than 80% Area Median Income	5230	9435	2147	16,812
NFIP Zone A	1882	6433	1335	9,650
NFIP Zone V	334	2000	520	2,854
*All Other Zones	3014	1002	292	4,308
80% - 120% Area Median Income	366	1347	393	2,106
NFIP Zone A	202	931	262	1,395
NFIP Zone V	42	323	86	451
*All Other Zones	122	93	45	260
Greater than 120% Area Median Income	200	788	282	1,270
NFIP Zone A	115	557	213	885
NFIP Zone V	35	187	54	276
*All Other Zones	50	44	15	109
No Income Data	493	974	245	1,712
NFIP Zone A	197	647	164	1,008
NFIP Zone V	37	209	56	302
*All Other Zones	259	118	25	402
All Homeowners	6,289	12,544	3,067	21,900
<i>Source: FEMA Individual Assistance data effective March 12, 2013 and FEMA ABFE maps</i> <i>*Includes areas not yet determined by FEMA under ABFE</i>				

In Hudson and Monmouth Counties, for example, planning departments reported vacancy rates below 1%.

According to FEMA data, approximately 44,000 Sandy-displaced households were receiving rental assistance after the storm. Even presuming that some of these Sandy-displaced households have found a rental unit, it is probable that many remain “doubled up,” that is, living with friends or relatives.

Superstorm Sandy also had a significant impact on housing that is subsidized by both the state and federal governments, which includes public housing as well as housing financed primarily for older adults and Housing Choice Voucher (HCV) recipients. According to preliminary estimates effective mid-February 2013, 2,188 federally subsidized units in 192 multi-family properties were damaged, and 53 households remain displaced. These properties are predominately located in Atlantic City, Flanders, Hoboken, Jersey City, New Brunswick, Ocean City, and Port Monmouth. Eight-hundred and twenty-four public housing units were damaged in the storm, and 100 public housing households remain displaced. Atlantic City suffered the greatest concentration of damage to federally owned housing, with 84 impacted units that housed 250-300 residents.

Additionally, 740 HCV recipient households were displaced by Superstorm Sandy, and only 310 of those households have returned to their former home.

To better understand the impact to Public Housing Authorities (PHAs), the Department of Community Affairs distributed impact assessments to public housing agencies across the State to quantify the extent of damage sustained by PHAs as a result of the storm, as well as identify PHAs’ ongoing unmet recovery and rebuilding needs. As of April 5, 2013, 18 housing authorities responded to the assessment. Results from these impact assessments can be summarized as follows:

- Six PHAs identified a need to rebuild residential units or community facilities. PHAs reported damage to non-residential facilities and equipment, including community centers, day care facilities, computer labs and maintenance structures.
- Nearly all PHAs reported roof damage from high winds as well as extensive and prolonged power outages. Many also experienced minor to moderate flooding.
- Many PHAs identified resilience and mitigation needs, such as a need for back-up generators or a need to relocate critical infrastructure (e.g., boilers, hot water heaters, and electrical panels). Two PHAs, Carteret Housing Authority

and Ocean City Housing Authority, reported a need to elevate buildings or otherwise mitigate against future disaster events.

The State will continue to assess impacts on PHAs, including the unmet needs not otherwise covered by insurance or FEMA.

Damage to PHAs impact some of the most vulnerable households in New Jersey. Almost all of the damaged units are public housing units, serving households earning less than 80% of the area median income, and several damaged units had been set aside to house older adults.

With increased demand for rental units from Sandy-displaced households coupled with a diminished supply as a result of storm damage, rental prices will likely increase throughout the State and particularly in the most impacted communities. This potentially would make rental units unaffordable for many low and moderate income families. According to HUD CHAS 2012 data, at least 42% of all renter households are cost burdened, meaning that households pay for housing in excess of 30% of their income, with a significant percentage of those households paying more than half of their income towards monthly housing costs. Any increase in rental costs would further exacerbate that strain. Among the “working poor,” defined as households earning less than 50% of Area Median Income, the impact of increased rents is more significant. According to HUD CHAS data, 50.5% of “working poor” households are already severely cost burdened, and rent increases could threaten to price these households out of the rental market. Even for households in need that might be able to afford available rental units, the post-storm New Jersey rental market has limited ability to absorb those households.

Based on available data, as well as input from federal and state departments and agencies, local communities, stakeholder groups and citizens, New Jersey’s rental housing needs include:

- Rental programs to assist currently displaced low and moderate income households;
- Rental programs to repair or replace damaged rental units, particularly those that service low and moderate income households; and
- Rental programs that address the unique needs of New Jersey’s special needs populations.

2.3.3 The Transitional Sheltering Assistance Program

On November 3, 2012, FEMA activated the Transitional Sheltering Assistance (TSA) Program to provide temporary housing for households displaced by the storm and living in shelters. In total, the TSA Program has served more than 5,500 New Jersey households. As of March 1, 2013, 717 households were enrolled in the TSA Program post storm.

Because the TSA Program provides only temporary assistance, households must find more permanent housing before the TSA Program expires. The State has been working diligently with federal agency partners to find more permanent housing solutions for these households. The limited availability of rental stock after the

storm has made this challenging, however. Households in the TSA Program that are of extremely low income or that have special needs are particularly difficult to place in more permanent situations because of the limited availability of housing that accommodates their needs.

2.3.4 Impact on Low and Moderate Income Populations

Superstorm Sandy’s impact on low and moderate income (LMI) households in New Jersey was particularly pronounced. Of FEMA Individual Assistance applicants who have reported damage to their homes, 49% are low and moderate income, equaling more than 40,000 households. Seventy-five percent of renters with reported damage to their homes were low and moderate income households, equaling 16,425 households.

While low and moderate income households throughout the State were affected by the storm, the most impacted LMI households generally are found within the nine most impacted counties. Table 2-8 reflects the total housing units in the most impacted counties and the percentage of impacted households that are low income. Appendix B to this Action Plan provides a map series illustrating Low and Moderate Income Census Tracts overlaid with storm damage by county.

County	Total Housing Units	Housing Units with Major/Severe Damage as a Percentage of all Housing Units	Households with Major/Severe Damage that are Low and Moderate Income as a Percentage of all Major/Severe Damage
Ocean	275,793	8.1%	45.2%
Atlantic	125,826	6.9%	61.8%
Monmouth	256,504	4.5%	45.4%
Cape May	98,394	2.5%	46.9%
Hudson	264,844	1.7%	35.5%
Bergen	351,122	0.8%	55.9%
Middlesex	292,495	0.7%	60.4%
Union	198,668	0.3%	63.0%
Essex	311,738	0.1%	71.3%
Total	2,175,384	2.5%	48.7%

Sources: American Community Survey, 2006-2010 5-Year Averages, HUD CHAS 2012 data, and FEMA Individual Assistance Data effective March 12, 2013.

2.3.5 Impact on Special Needs Populations

Households with special needs are oftentimes more vulnerable to natural disasters due to damaged or displaced support networks, accessibility issues or increased costs of living. Special needs populations displaced by Superstorm Sandy include adults, children, and youth who are homeless or at risk of homelessness, who have intellectual or developmental disabilities, who have physical disabilities or who have behavioral health needs. Certain populations of older adults also may face specialized challenges after a natural disaster.

2.3.5.1 Homeless Households

Damage caused by Superstorm Sandy drastically limited housing options available for New Jersey’s homeless population. For example, according to New Jersey’s Department of

Human Services, 400 motel units along the barrier islands that might be used to accommodate homeless populations remain unavailable because of storm damage. A 31+ bed homeless shelter in Monmouth County also remains closed. The lack of available facilities as a result of storm damage has put substantial pressure on operational facilities. For example, an Atlantic City homeless shelter reported an overcapacity of over 100 people.

In addition to the impact on available housing options for homeless households, Superstorm Sandy demonstrated basic equipment failures in some facilities that serve the homeless. According to shelter operators, some shelters lost power during the storm. Some could not generate heat. Others lost phone service.

The current statistics from the Homeless Management Information System (HMIS) show a 12% increase, or slightly greater than 4,200 in total individuals in the All Agency Homeless Programs report, in the three months following Superstorm Sandy versus from same period the previous year on a statewide basis. However, within the nine most impacted counties, six counties were at the same level as the previous year or saw a decline. The primary increases were experienced in Atlantic, Hudson and Ocean. The system is still being evaluated to determine the impact of FEMA post-disaster funding. The State agencies continue to assess the needs, particularly with the view to facilitating those who have been displaced post-Sandy and getting them back to permanency.

2.3.5.2 Older Adults

According to FEMA Individual Assistance data dated February 27, 2013, Superstorm Sandy impacted more than 38,000 older adult households, the majority of whom are homeowners. Based on past experience from other disasters, New Jersey recognizes that certain older adult households may face special challenges after a natural disaster. Initially, new building code requirements may require that many older adults elevate their homes. Elevating properties may result in accessibility issues that must be addressed to accommodate a household's needs. Additionally, older adult populations may be at a greater risk of financial exploitation following a disaster.

2.3.5.3 Individuals with Mobility Impairments

New Jersey's Department of Human Services, Division of Disability Services (DDS) has identified ramping and other accessibility measures that may have to be undertaken in conjunction with housing elevations to ensure that certain properties can continue to serve the needs of individuals with physical disabilities. Additionally, retrofitting a newly elevated house with a ramp or lift will place additional financial burdens on households needing this accommodation.

2.3.5.4 Households with Individuals Having Developmental or Intellectual Disabilities or Behavioral Health Needs

A number of homes that house individuals with developmental or intellectual disabilities or with behavioral health needs were damaged or displaced during Superstorm Sandy. For example, a boarding house which served 50 individuals from this population sustained significant damage during the storm. Damage from the storm has made it difficult for some displaced households with individuals having developmental or intellectual disabilities or behavioral health needs to find accommodating housing.

Section 2.3.6 Analysis of Unmet Housing Need

To estimate the unmet housing need in New Jersey, the State must first use available data to quantify the cost to repair damage to the housing sector caused by the storm as well as the costs to perform required housing elevations. The State then must add together amounts received from other funding sources like

Section 2: Impact and Unmet Needs Assessment

FEMA Individual Assistance, SBA disaster loans, and private insurance to quantify funding that has been provided for repairs to the housing sector. Subtracting the latter figure from the former arrives at New Jersey's current estimate of its unmet housing need. This estimate likely will change when the extent of housing damage becomes more precisely measurable.

FEMA Individual Assistance data as of February 27, 2013 reports a Full Verified Loss (FVL) of \$732,560,112, which is derived from cursory FEMA inspection reports. Previous disasters have shown that an FVL figure substantially underestimates the actual cost of rehabilitation and reconstruction. To estimate damage to owner-occupied units, HUD has previously adjusted FVL based on the ratio of SBA loans to FVL determinations to capture a more realistic estimate of repair costs, while assessing damage to rental units based on their proximity to damaged homes.

This unmet needs assessment does not attempt to replicate the FVL analysis due to the lack of address-level SBA information specific to each applicant. Rather, to estimate the cost of repair, this assessment multiplies the average construction cost per square foot (\$135 in New Jersey per a 2012 Marshall & Swift report) by the damage category and the total square footage. For example, the estimated cost to repair a 1,000 square foot unit with severe damage (i.e., damage to 51% of the structure) is \$135,000 (100% * 1000 * 135).

The extent of the damage uses the following defined categories combined with FVL values for owner-occupied homes and flood depths for renter occupied homes as shown in Table 2-9. All homeowners and renters with more than four feet of flooding were assumed to be severely impacted.

Category	Reported FVL	Reported FVL - Renters	Percent Damaged
None	\$0	\$0	0%
Minor-Low	\$1-\$3,000	\$1 - \$999	2%
Minor-High	\$3,000-\$7,999	\$1,000 - \$1,999	5%
Major-Low	\$8,000-\$14,999	\$2,000 - \$3,499	10%
Major-High	\$15,000-\$28,799	\$3,500 - \$7,499	20%
Severe	>\$28,800	>\$7,500	100%

Source: GCR Inc. using HUD Damage Classifications and FEMA Individual Assistance data effective March 12, 2013

In addition to physical damage to housing stock caused by the storm, the need for home elevations also represents a substantial cost. This unmet needs assessment assumes all of the owner-occupied homes with more than four feet of flooding and newly added to the 100-year floodplain will require elevation.

Having performed this analysis based on currently available data, the total cost to repair New Jersey's housing

sector presently is projected at \$4,294,935,055. The current total amount of federal and non-federal funds distributed for repairs to New Jersey's housing sector and for elevations – including FEMA Individual Assistance funds, SBA loans and private insurance proceeds – totals \$1,953,191,063. As a result, New Jersey currently projects an unmet housing need of \$2,504,993,992. Table 2-10 reflects New Jersey's current estimate of damage to its housing sector, the current amount of funding received from other sources for housing sector recovery, and New Jersey's current unmet need.

Table 2-10 Estimated Unmet Housing Need

	Repair/ Replace Costs ¹	Elevation Costs for Homes with 4' Flood Depth and Newly Added to 100-Year Floodplain ²	Insurance Claims ³ (Residential and Flood)	FEMA Grant and SBA Loan ⁴	Unmet Need (GAP)
Total	4,294,935,055	\$163,250,000	\$1,434,422,611	\$518,768,452	\$2,504,993,992
Uninsured Homeowners with Major to Severe Damage	\$1,081,221,565	\$-	\$-	\$129,255,611	\$951,965,954

¹ Analysis using FEMA Individual Assistance data FVL values, flood depth, HUD damage categories and associated damage estimates
² Geospatial analysis of FEMA Q3 and ABFE maps overlaid with FEMA HAZUS data to determine total homes shifting into a 100-year floodplain effective March 12, 2013. Elevation costs assumed at \$50,000 per unit.
³ Private insurance data provided by NJ Department of Banking and Insurance
⁴ FEMA Individual Assistance data, effective March 12, 2013 and SBA data effective February 6, 2013

This figure likely understates the extent of New Jersey's unmet housing needs. It does not represent the universe of damaged homes, but instead is limited to individual FEMA applicants determined by FEMA to have sustained damage. It also excludes households that have not yet registered with FEMA. As additional data are compiled and analyzed, the State expects this figure to become more accurate and to rise. Notably, this unmet needs assessment purposefully includes only owners' primary residences and rental properties.

Per guidance provided by HUD, providing CDBG-DR funds to assist owners of vacation homes or non-primary residences that were damaged during the storm is prohibited.

2.4 Economic Development

2.4.1 Businesses

Superstorm Sandy devastated many businesses in New Jersey, causing substantial commercial property damage and short-term and long-term business operations losses. The entire State of New Jersey, which has over 390,000 businesses, experienced high winds. Tens of thousands of businesses sustained short-term and long-term economic injuries. For example, current data from the New Jersey Department of Banking and Insurance suggest that businesses within 113 of New Jersey's 565 municipalities incurred a combined \$382,000,000 in commercial property loss and another \$63,900,000 in business interruption losses.

Separately, damages to public infrastructure such as roads, rail and bridges as well as compromised water and electrical utility systems have caused significant interruption to the State's economy and have had a corresponding negative impact on businesses trying to recover after the storm. For example, international trade and travel at the Port of New York and New Jersey, the nation's third largest port, stopped for days due to loss of power. Flooding caused New Jersey Transit systems to shut down, and some transit lines did not reopen for months. Gas unavailability also created issues for businesses trying to return to routine operations.

Table 2-11 Businesses Impacted by the Storm	
Sector	Businesses Impacted by High Winds
Total	391,664
Retail trade	58,529
Other services, except public administration*	45,793
Construction	36,563
Professional and technical services	35,791
Health care and social assistance	30,701
Accommodation and food services	26,535
Administrative and waste services	21,528
Finance and insurance	21,051
Real estate and rental and leasing	18,117
Wholesale trade	17,848
Unclassified**	14,731
Manufacturing	13,936
Public Administration	12,413
Educational services	10,715
Transportation and warehousing	10,477
Information	7,383
Arts, entertainment, and recreation	7,179
Agriculture, forestry, fishing and hunting	1,025
Utilities	678
Management of companies and enterprises	408
Mining, quarrying, and oil and gas extraction	263

Source: GCR Inc. effective March 6, 2013, using data from NOAA and InfoUSA
 *The "Other Services" sector includes a variety of miscellaneous business types classified as "Other" by the North American Industry Classification System. A list of these business types can be found at <http://www.naics.com/free-code-search/sixdigitnaics.html?code=81>
 ** Unclassified businesses are those which NAICS deems unclassifiable. A list of these business types can be found at <http://www.naics.com/free-code-search/siclist.html?sictwo=99&mg=9199>.

Showing the breadth of Sandy's impact across business sectors, Table 2-11 reflects New Jersey businesses impacted by Sandy by sector.

In the months following Superstorm Sandy, many businesses grappled with the cost of repairing damaged assets and economic injuries that resulted from temporary closures, unavailability of critical inputs, and/or displaced customer bases. In coming years, it is expected that revenues may suffer from the loss of some customers that have not returned to the area, and may not return. To emphasize the point, Table 2-12 projects economic and fiscal impacts that might result from Superstorm Sandy in the absence of a robust economic recovery.

Small businesses with five or fewer employees, which make up the majority of the State's business community, are expected to have been more severely affected than larger businesses likely to have more resources or capability to offset storm-based losses. Based on a preliminary assessment, the lack of comprehensive insurance and limited access to capital likely will be drivers of those difficulties. SBA figures demonstrate the extent of access to capital issues. Based on current figures, 93% of New Jersey businesses that have applied for SBA disaster loans were denied, oftentimes because they did not qualify or did not have sufficient funds available to rebuild their businesses.

2.4.2 Labor and Employment

The storm, which is estimated to have affected over 1,000,000 employees, severely impacted New Jersey's labor force. According to current data from the New Jersey Department of Labor, approximately 138,000 workers filed unemployment claims in November 2012, the first full month after Superstorm Sandy. By comparison, unemployment claims filed in November 2011, totaled 54,444 claims. As of February 2013, \$3.4 million has been spent in disaster unemployment benefits, including disaster unemployment claims

which are aimed towards individuals who do not qualify for full unemployment benefits. Higher than average unemployment rates are presently expected to continue over the next three years as a result of the storm, largely driven by potential downsizing of businesses hardest hit by the storm including those supporting tourism, namely retail and accommodations, that are clustered in shore communities.

Table 2-12 Economic and Fiscal Impacts of Superstorm Sandy (without reconstruction)				
	State GDP	Employment	Personal Income	State Tax Revenues
Q4 2012	-11,879.0	-7.3	-1,186.2	-108.5
2013	-2,802.8	-8.8	-290.3	-24.3
2014	-554.5	-2.3	-7.5	-2.6
2015	-325.2	-0.9	-32.0	-2.7

Sources: "The Economic and Fiscal Impacts of Hurricane Sandy in New Jersey: A Macroeconomic Analysis." Mantell, Nancy H. Rutgers University; Edward J. Bloustein School of Planning and Public Policy, Issue Paper Number 34, January 2013.

The loss of employee income hinders the overall economy, creating a ripple effect as households have less disposable income to support businesses. While the anticipated high demand for rebuilding projects may afford some opportunity to

offset job losses that may occur in other sectors, it is expected that the current labor force with adequate skills to perform rebuilding projects will not be able to satisfy demand. Left unchecked, this could result in price hikes and project delays. Job training and support of the construction, hazard mitigation and planning industries could mitigate these effects.

2.4.3 Tourism

New Jersey's tourism industry, the State's third largest industry, contributes more than \$38 billion to the State's Gross Domestic Product and, for 2011, represented 24.5% of private sector employment. Superstorm Sandy had, and continues to have, severe and far-reaching impacts on this vital sector. The substantial concentration of damage across many of New Jersey's shore communities — particularly those in Atlantic, Monmouth, and Ocean Counties — begins to show the breadth of the storm's impact on the tourism industry. The Jersey Shore, where the majority of tourism dollars are spent, is an iconic and long-established tourist destination, with retail, hospitality, and entertainment venues that contribute significantly not only to local community vitality but also to the overall State employment and business tax revenue base.

To further emphasize what the impact on the tourism industry means for local economies and the State economy:

- Tourism spending directly supports 312,000 jobs in New Jersey and 486,000 jobs indirectly. These jobs represent nearly 10% of all jobs in New Jersey. In Atlantic and Cape May Counties, in particular, the tourism sector represents 55.5% and 54.2% of private sector employment, respectively.
- Leisure, hospitality and retail industries represented \$43,400,000,000 or 8.9 % of the State's Gross Domestic Product in 2010.
- New Jersey's Tourism Economy is comprised of its Leisure, Hospitality and Retail (LHR) industries. The four components are weighted as follows: retail trade (56.8% of employment), food services/drinking places (29.0%), accommodation (7.4%) and arts/entertainment/recreation (6.9%).
- Many of the businesses within LHR directly and indirectly support the state's tourism industry, the State's 3rd largest industry according to the New Jersey Division of Travel and Tourism.
- Tourism in New Jersey generated \$4.4 billion in state and local taxes in 2011.
- The tourism industry had just begun to see a resurgence in 2011 from the decline beginning in 2007 that was related to the beginning of the national economic downturn.

Early estimates suggest that the tourism industry will lose \$950 million in the third quarter of 2013 as a result of Superstorm Sandy. This represents approximately 2.5% of the industry's annual revenue. This statewide figure does not reflect the severe impact that tourism industry losses have on communities, particularly on the Jersey Shore, whose budgets rely on annual tourism revenues.

As a result of Superstorm Sandy, many potential tourists are under the misperception that the entire Jersey Shore was decimated. According to Oxford Economics, *Potential Impact of the Gulf Oil Spill on Tourism*, U.S. Travel Association 2010, ongoing misperceptions of the level of damage caused by disasters hurts tourism economies even after assets have been restored. These misperceptions have endured an average of 10 to 27 months.

The negative effects of the misperception manifest in myriad ways. It has resulted in convention center cancellations. It also threatens the hotel/motel industry at the shore, which would project to have lower revenues and less need to retain employees if fewer tourists are patronizing the shore. In Atlantic, Cape May, Monmouth, and Ocean Counties alone there are over 740 hotels and motels (non-gaming) that employ nearly 8,000 people. For these and other reasons, the misperception regarding the Jersey Shore continues to threaten a robust recovery for the tourism industry in New Jersey.

2.4.4 Examples of Other Impacted Industries

2.4.4.1 Trade and Warehousing

The warehousing and shipping industries are at risk of job losses, as companies may stop shipping and storing goods in areas prone to flooding.

2.4.4.2 Manufacturing

The manufacturing industry also experienced significant losses in inventory and suffered from a lack of workforce in the immediate aftermath of the storm when transportation routes were compromised. The supply chain for these companies was also impacted by gas unavailability which prevented products from being produced and transported.

2.4.4.3 Fishing and Aquaculture

The State's fishing industry, comprised of commercial and recreational fishing and seafood processing, contributed more than \$2.7 billion to the economy in 2011 and directly employed 8,500 people. This industry suffered sizable losses in inventory and business interruption. Processing plants, docks, boats, roads and railways were destroyed or severely comprised. In addition, the storm caused significant ecological impacts by destroying the natural habitat of many species. Further, debris left in waterways by the storm has compromised some remaining navigation channels which must be addressed. New Jersey continues to actively address wet debris in State waterways. Initial estimates place the cost to recover from environmental infrastructure and ecological damage relating to this industry at \$100 million. However, because of the seasonal nature of the industry and because the full extent of "wet debris" issues in navigable waterways remains unknown, this loss estimate likely will increase, perhaps substantially.

2.4.5. Analysis of Unmet Business Need

To estimate the extent of the unmet need in New Jersey's economic sector, this assessment subtracts funding provided to date by FEMA, SBA and private insurance from the current estimate of the total cost to repair commercial property damages and total amount of losses from interrupted business in the aftermath of the storm.

Section 2: Impact and Unmet Needs Assessment

Commercial property damage is defined as any storm-related damage to commercial buildings, loss of inventory, and damage to fixtures, machinery and equipment. To estimate commercial property damage, the unmet needs assessment uses information on insurance claims reported by the New Jersey Department of Banking and Insurance rather than SBA loans. Its dataset represents a greater universe of business damage than the SBA loan information, showing more than 15,000 business claims compared to the SBA's reported 1,579 commercial applicants.

To estimate damage caused by business interruptions the unmet needs assessment assumes, based on power outages throughout much of the State, that businesses experienced a business interruption of seven to ten days. The calculation assumes a 7.2% profit yield which is a 35-year average based on S&P and Bloomberg data. This does not take into account lost wages or unemployment.

Based on this analysis, New Jersey businesses suffered an estimated \$1,873,278,430 in total commercial loss and interrupted business operations, as shown in Table 2-13. So far, recovery funds disbursed, including SBA loans and commercial insurance, amount to \$145,465,017. This leaves \$1,727,813,413 in current unmet need.

This analysis is based on currently available data and is subject to change.

Need	Funds Disbursed	Unmet Need
\$1,873,278,430	\$145,465,017	\$1,727,813,413

Source: GCR Inc. using commercial loan data provided by SBA effective February 6, 2013, insurance information provided by New Jersey Department of Banking and Insurance effective February 13, 2013, InfoUSA business listings (2012) and NOAA hurricane impact maps retrieved February 4, 2013.

It does not take into account any long-term losses or systemic impacts to the State's key economic base, notably tourism and the coastal real estate market. This exclusion is due to the limited availability of data and the inability to accurately predict how coastal communities will rebuild over the next several months. It is anticipated that the full unmet business needs will far exceed the figures presented in this assessment, particularly regarding the tourism industry, property values, and the long-term needs of businesses in heavily impacted areas.

2.5 Infrastructure

Superstorm Sandy extensively impacted New Jersey's infrastructure. Local and state roadways experienced significant damage from extensive flooding. Sustained winds caused trees and debris to make roads impassable. Rail and other public transit systems, which suspended operations in anticipation of the storm, experienced equipment losses and other service disruptions.

The delivery of core utility services was substantially impaired. An estimated 2.6 million New Jersey residents lost power as falling trees downed power lines and tidal surges as high as 13 feet inundated electrical substations. Many wastewater treatment plants, dependent on commercial electrical power, were unable to maintain service.

In addition to the transportation damage and utilities interruptions, many municipalities had to contend with extensive damage to other public infrastructure. Superstorm Sandy damaged police, fire and emergency response buildings, vehicles and equipment. The storm created multiple public health issues, including environmental hazards (e.g., mold, lead and asbestos) and unsafe debris. Superstorm Sandy also damaged many public and community buildings, such as town halls, libraries and post offices, among others.

The State, in close partnership with counties and local municipalities, and with support from federal agency partners, has been diligent in performing assessments of the impacts of the storm, has already undertaken some repair work, and is designing resiliency plans and other infrastructure programs to mitigate the impact of future storms. The repair and reconstruction of New Jersey's transportation system, utility networks, public health infrastructure, and public and community buildings is critical to the long-term recovery effort.

In addition to the damages reported by individual State agencies through these assessments, the following summaries cite damage estimates from FEMA Project Assistance data current as of February 23, 2013. This data is also used to estimate unmet needs using methods applied by HUD in response to other significant disasters in recent allocations of CDBG funds. This calculation subtracts the total amount in project worksheets which has been deemed eligible for FEMA funds from the overall damage categories and factors in a 25% required local match. For example, if \$200,000 of a \$1,000,000 project has been deemed eligible, the unmet need of that project is \$850,000, calculated as follows: $\$1,000,000 - \$200,000 + (0.25 \times \$200,000) = \$850,000$. Hazard mitigation costs are also added to the FEMA data as part of the overall unmet need. The figures for unmet infrastructure needs are preliminary, and it is anticipated that the full cost of repairs and recovery are likely to greatly exceed what is currently reported in the FEMA Project Assistance data.

2.5.1 Transportation Infrastructure

The impact of Superstorm Sandy on New Jersey's transportation infrastructure was felt long before the storm made landfall. To protect life and mitigate the potential for damage, the State closed three quarters of the 173-mile long Garden State Parkway — an unprecedented safety precaution. New Jersey Transit suspended operations and ferry service was shut down.

Although post-storm damage assessments continue, a more complete picture is now emerging of the substantial damage that Superstorm Sandy caused. A number of roads in shore communities were entirely washed out, as were the berms that protected the roadways. For example, in Mantoloking Township, the Atlantic Ocean breached over 1,000 feet of State Route 35 in three locations. Highways, including parts of State Route 37 in Toms River Township, experienced severe erosion. Laborers and heavy equipment were required to remove debris from multiple highways, including cars, and even portions of building structures.

Bridges experienced structural and other damage that will cost millions of dollars to repair. For example, the State Route 71 Shark River Bridge suffered flooding of

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electrical and mechanical bridge operations equipment. The State Route 37 Bridge suffered bearing damages. The State Route 72 Causeway Bridge experienced considerable erosion.

Even those roadways that did not flood experienced significant damage. In Jersey City and Point Pleasant, the arms of barrier gates were sheared off due to excessive wind. Guiderails and fences along roads throughout the State sustained damage from falling trees and other debris. Hardwired warning signs – intended to guide residents in times of disaster – were turned and disabled by the storm's powerful winds. Traffic signals throughout the State were knocked down or otherwise rendered inoperable by power outages. Sinkholes have also been reported throughout the State. On just State Routes 35 and 36, approximately eighty sink holes were created.

Without exception, every New Jersey Transit rail line experienced damage. Tracks washed out, rail storage areas flooded, and maintenance facilities were damaged. Even with extensive and time-intensive restoration efforts, full operations were not resumed until December 3, 2012, with limited service in some cases.

New Jersey's roadways are critical to the evacuation of New Jersey's residents in the event of another disaster. The quick restoration of the transit system's trains, light rail, and buses is critical to the economic recovery of the region. The State took immediate steps to begin the process of assessing the damage and prioritizing the repair and rebuilding of New Jersey's transportation networks. The State intends to rebuild storm-damaged infrastructure in a manner that helps it to better withstand the forces of violent storms.

As part of this process, the State identified a number of hazard mitigation projects that should be implemented during the rebuilding process. Potential projects include reconstruction and replacement of critical roads and bridges, the construction of bridge abutment/pier scour counter measures at 130 scour critical state owned bridges, traffic signal hardening including emergency generator interface capability, drawbridge hardening and movement of electrical and mechanical systems to higher elevations, and the installation of emergency generators at maintenance yard facilities. Some long-term projects are already being undertaken, including the construction of a new bridge, among other improvements, to be built parallel to the State Route 72 Manahawkin Bay Causeway. The new bridge will provide the safety of a redundant route on or off Long Beach Island in the event a span needs to be closed. The State also recently announced an aggressive schedule to completely rebuild a 12.5-mile storm-damaged stretch of State Route 35 along the Barnegat Peninsula in Ocean County. The project incorporates significant mitigation design elements, including an improved drainage system, pump stations, and 24-inch thick pavement and sub-base materials.

New Jersey's transportation needs are expected to be substantial. Preliminary information indicates estimated damages of \$882,613,000 to systems maintained by the New Jersey Department of Transportation, the New Jersey Turnpike Authority, New Jersey Transit, the South Jersey Transportation Authority, and county and municipal transportation agencies. An additional \$2,367,470,000 in resiliency projects—to ensure protection of roadways and transit systems from

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future events—have been identified to date, bringing the total estimated costs to \$3,250,083,000. Additional damages not reflected here were incurred in connection with debris removal operations and in loss of revenue.

With respect to outstanding project worksheets submitted to FEMA, as of February 23, 2013, only \$1,400,124 in estimated damage has been deemed eligible in Public Assistance funds for transportation projects, although substantial additional transportation projects are expected to be committed in the future. Factoring in the \$2.367 billion in resiliency projects and a 25% local match for FEMA-funded projects, New Jersey's current estimate of its unmet transportation need totals \$3,249,032,907. This figure does not include funding from federal (non-PA) or other sources or mitigation projects that are currently planned by the Port Authority of New York & New Jersey.

2.5.2 Utility Infrastructure

In the aftermath of Superstorm Sandy, an estimated 2.6 million New Jersey residents were without power due to damaged switching and substations, damaged poles and electrical equipment, and downed trees that brought down wires. At least one-third of these residents lacked power for at least six days. Schools, small businesses, and other commercial enterprises did not have power restored, in some cases, for more than a week. Electricity interruption also impacted 9-1-1 facilities, hospitals, nursing homes, long-term care facilities, domestic violence shelters, foster homes, mental health facilities, and other infrastructure that provides critical social services throughout the State. In many cases, electricity outages rendered unusable New Jersey's petroleum production and delivery systems, by disabling the refineries, terminals, pipeline operations, and gas stations needed to deliver petroleum products to end users.

Damage to homes delayed reconnection to the power grid. One month after Superstorm Sandy made landfall in New Jersey, approximately 18,800 households were still without power.

Superstorm Sandy's impacts were not limited to electric utilities. Interruption of natural gas service – critical for heating in winter months – impacted 32,000 households. Five miles of natural gas line spanning Bay Head to Seaside experienced substantial damage.

Water and wastewater infrastructure, which is largely owned by municipalities and other government entities, were not spared and suffered an estimated \$2.7 billion in direct damages. Sand infiltrated and blocked a number of sewer lines, and other lines were determined to be structurally damaged beyond repair. At the height of the storm, 94 wastewater treatment systems suffered failures or disruptions, including inadequate treatment, broken sewer mains, and other operational issues. The loss of electrical power rendered many water systems unable to maintain service. Even at plants where backup generation was available, the disruption of the petroleum production and delivery system caused generator fuel supplies to be limited.

The vast majority of New Jersey's community water supply systems were impacted: 427 of 604 community water systems experienced power loss during the event.

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As a direct result of the service interruptions, 362,334 New Jersey residents were placed under a boil water advisory. One month after Superstorm Sandy made landfall, eight drinking water systems in Ocean County, serving approximately 10,000 households, were still subject to a boil water advisory.

New Jersey is already taking steps to fully assess the impact to statewide utilities and develop long-term recovery plans. Complete repair and restoration of service is essential. In the long term, it is critical that New Jersey's electric, natural gas, and water and wastewater systems become more durable and stable to withstand the impacts of severe weather events. In some cases, systems need to be hardened and redundant systems may need to be developed.

Investor-owned public utilities have also identified potential projects to make utility infrastructure less susceptible to storm damage, such as that which results from high winds, flying debris, storm surge and flooding. Potential projects include proposals to raise, relocate, or protect switching and substations in ABFE flood zones; the modernization of gas mains in flood-prone areas; the improvement of pole distribution systems; and the construction of additional redundancy in the system.

The costs of building a more resilient utility infrastructure will be substantial. Approximately \$21.1 billion in mitigation projects have been identified. With regard to damages, while additional utilities projects are expected to be committed in the future, initial data as of February 23, 2013 indicates that \$277,487,381 in project worksheets have been submitted to the FEMA Public Assistance (PA) program for utilities projects, of which \$901,182 has been deemed eligible. Assuming a 25% local share of existing PA funding, the total local share is currently \$225,295.50. Therefore, excluding the federal share, New Jersey's current estimate of its unmet utilities need totals approximately \$21,350,000,000.

2.5.3 Schools, Parks, and Recreation Infrastructure

Damage from Superstorm Sandy significantly impacted students and faculty of many New Jersey schools. Flood waters and power outages forced at least 370 school districts to close for at least one week. A total of 77 schools suffered damages from the storm including flood, roof, structural, and window damage.

Because of the damage and closings of New Jersey Public Schools, over 2,800 students were displaced. The Department of Education was responsible for funding the creation of accommodations for these students at schools that were undamaged, and the cost of transporting students to these locations. Damages to schools on Long Beach Island were so severe that 85 students may have to be permanently relocated.

Superstorm Sandy also caused substantial damages to New Jersey's State and community parks. Statewide, hundreds of millions of dollars of damage was reported at New Jersey marinas, beaches, and boardwalks. Many community parks were closed and remain closed because of safety concerns, some because they are still being used to store debris as cleanup continues.

As of February 23, 2013, throughout the State, the damage estimates reflected in FEMA project worksheets was \$8,406,986 to schools facilities and \$392,899,577 to parks and recreational facilities. Of these estimates, \$1,898,855 has been deemed eligible for schools and \$1,037,427 has been deemed eligible for parks and recreational facilities. Assuming a 25% local match, the unmet need for schools is \$6,982,845, and the unmet need for parks and recreational facilities is \$392,121,507, totaling \$399,104,352 for both categories.

2.5.4 Public Health and Safety Infrastructure

Police buildings, vehicles, and equipment were damaged during the storm. Police departments in areas such as Absecon, Bay Head, Egg Harbor Township, Florence Township, Guttenberg, Haddonfield, Kearny, Lavallette, Newark and Toms River suffered losses. Local fire departments, mostly volunteer in New Jersey, were crippled. The loss of facilities and vehicles in areas such as Berlin Township, Brick Township, Brigantine, Hoboken, Jersey City, Kearny, River Vale, South Amboy, Brick Township, Sussex and Ventnor City has caused increased response times for fire and medical services, further endangering local residents.

Superstorm Sandy created potential public health issues, including mold due to moisture infiltration, lead and asbestos hazards within storm debris, and potential increases in mosquito-borne diseases caused by storm-created conditions that increase mosquito breeding. The storm also deposited enormous quantities of debris on both public and private property over a large area resulting in widespread immediate health and safety threats to the public-at-large.

An estimated \$20,900,000 is needed to mitigate the public health issues caused by Superstorm Sandy outlined above and to repair critical safety-related infrastructure. Additionally, an estimated \$32,700,000 is needed for hazard mitigation projects identified to date. Based on these figures, New Jersey's estimate for the repair and recovery of public health and safety infrastructure is \$53,600,000.

As of February 23, 2013, only \$156,401 has been deemed eligible in Public Assistance funds for public health and safety projects, with an estimated \$117,000 of that amount provided by FEMA (assuming a 25% local match requirement). Based on eligible FEMA funds, New Jersey has an unmet public health and safety infrastructure need of approximately \$53,500,000.

2.5.5 Public and Community Buildings

Many public and community buildings provide critical services to the neighborhoods in which they reside and are vital to the proper functionality of local governments and organizations. These types of buildings can include city/town halls, courthouses, libraries, post offices, correctional facilities, day care, family and social service centers and senior care facilities.

As a result of Superstorm Sandy, many of the State's important public and community buildings were damaged, and many of them still cannot be used in their original capacities. A quick and thorough response to repairing these buildings and replacing their contents is critical to New Jersey's recovery.

Section 2: Impact and Unmet Needs Assessment

Damage to public and community buildings throughout the State is estimated to be \$385,882,428 according to FEMA project worksheets as of February 23, 2013. Of this amount, \$5,548,273 has been deemed eligible. Assuming a 25% local match, the estimated unmet need for public and community buildings is \$381,721,223.

2.5.6 Analysis of Unmet Needs

To estimate the extent of the unmet need in New Jersey’s infrastructure, this assessment calculates: a) the cost of repairing storm-induced damage minus the amount eligible for FEMA assistance plus the 25% local match; and b) the cost of implementing hazard mitigation as reported by state agencies as of March 8, 2013. According to this analysis, New Jersey infrastructure currently has an estimated unmet need of \$25,432,594,266.

As illustrated in Table 2-14, \$1,968,197,279 is for repairs to critical infrastructure and public buildings, and approximately \$23,470,000,000 has been identified by state agencies to date for hazard mitigation projects.

A large amount of data involving infrastructure repair and mitigation costs is still unavailable. It should be noted that these estimates exclude environmental infrastructure, such as flood protection, and the need for critical health and social services for impacted populations.

Table 2-14 Summary of Unmet Infrastructure Needs				
Infrastructure Category	Estimated Damages (FEMA PA estimate)	Hazard Mitigation Costs	FEMA Eligible Expenses and Other Funding	Unmet Need Assuming 25% FEMA PA Match
Transportation*	\$882,613,000	\$2,367,470,000	\$1,400,124	\$3,249,032,907
Utilities	\$277,487,381	\$21,072,400,000	\$901,182	\$21,349,211,494
Schools, parks and recreation	\$401,306,564	\$0	\$2,936,282	\$399,104,352
Public health and safety	\$20,907,907	\$32,733,684	\$156,401	\$53,524,291
Public and community buildings	\$385,882,428	\$0	\$5,548,273	\$381,721,223
Total	\$1,968,197,279	\$23,472,603,684	\$10,942,262	\$25,432,594,266

Source: FEMA Public Assistance data and input from New Jersey Department of Transportation, New Jersey Department of Environmental Protection, New Jersey Board of Public Utilities, New Jersey Department of Education and New Jersey Department of Health effective March 8, 2013
**Based on preliminary damage assessments prepared by the New Jersey Department of Transportation, not based on FEMA Public Assistance data*

SECTION 3: NEW JERSEY'S GOALS, OBJECTIVES, AND RECOMMENDATIONS FOR LONG-TERM RECOVERY

Priorities have been established to facilitate thoughtful and effective recovery, and the State is refining its framework that will streamline recovery in a manner consistent with its priorities.

In the weeks and months following the storm, the State has worked with federal, local, nonprofit and other stakeholder partners to assess the nature and scope of damages caused by the storm. Priorities have been established to facilitate thoughtful and effective recovery, and the State is refining its framework that will streamline recovery in a manner consistent with its priorities. State long-term recovery teams have been established to develop initiatives to lead the State's housing, economic, infrastructure and health and social service sectors toward recovery. Likewise, other teams have been established to focus on addressing community capacity needs, natural and cultural resources and mitigation opportunities.

3.1 Long-Term Recovery Recommendations

The State has taken, and continues to take, steps toward implementing and executing a sustainable and resilient long-term recovery. In accordance with HUD regulations, the State also continues to examine its long-term recovery goals and objectives, which include designing, implementing and administering policies, programs, strategies and streamlined implementation methods informed by post-disaster evaluations and input from citizens, local communities, and other stakeholders. Moreover, consistent with HUD guidance, the State will undertake and promote hazard mitigation techniques and programs and seek to utilize green technologies and practices where doing so is feasible and cost-effective. In addition, the State remains committed to assisting local municipalities by providing resources, technical assistance and targeted programs to support their efforts to recover and rebuild efficiently, effectively and expediently.

The State, through DCA and in coordination with the Governor's Office of Recovery and Rebuilding and relevant State departments, will coordinate planning activities with communities statewide to ensure that the long-term planning process benefits New Jersey citizens and meets HUD CDBG-DR objectives. These planning efforts will outline the State's vision to coordinate public and private investments to create economic opportunities and support workforce development. Contemporaneously, efforts will be made to balance the need to preserve open space and promote sustainable communities. DCA's Office of Local Planning Services (LPS) will work to provide municipalities with sound planning strategies to ensure long term recovery. LPS has a staff of licensed professional planners who work with municipalities to assist their efforts to effect changes and improve quality of life.

To further assist local governments with recovery, the State has significantly enhanced recovery operations within the Office of Emergency Management to work with localities and other eligible applicants to maximize and expedite projects funded by FEMA's Public Assistance program.

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The State recognizes that municipalities likely will need assistance to build smart, safe, and strong communities and the State will provide technical assistance as needed.

One of the early steps DCA is taking to assist local governments is to hold a series of workshops for impacted communities that will introduce them to a range of land use and zoning issues that they may have to consider because of new building and environmental standards. Speakers from Mississippi and Louisiana will provide first-hand insight and guidance regarding the challenges of resettling and rebuilding. New Jersey land use lawyers and planners will offer problem solving tools and resources. These workshops will be targeted to mayors, governing bodies and planning board members. Thereafter, LPS planners will be provided to municipalities that request that support.

The State has been facilitating discussions between federal agencies, local governments, nonprofits, and other concerned stakeholders regarding long-term recovery needs. The following recommendations were compiled from initial efforts.

3.1.1. Housing: Long-Term Recovery Recommendations

As detailed in Section 2, Superstorm Sandy caused catastrophic damage to a broad range of New Jersey's suburban and urban communities, and had a substantial negative impact on New Jersey families of all income levels. Low and moderate income households were hit especially hard, particularly in the most significantly impacted counties. Based on FEMA Individual Assistance (IA) reports, and as referenced above, approximately 37,700 owner-occupied homes and 9,300 rental units sustained "severe" or "major" physical damage from the storm, as defined by HUD, while nearly 40,000 additional properties sustained "minor" physical damage. These figures include only primary owner-occupied residences and year-round rental properties, not damage to seasonal rentals, vacation homes or secondary residences. As previously noted, HUD has identified Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties as the areas that sustained the most significant damage as a result of Superstorm Sandy.

To address New Jersey's housing needs, the State will undertake a number of initiatives including:

- Providing funding assistance for reconstruction and rehabilitation programs that focus primarily, but not exclusively, on low and moderate income households
- Developing adequate, storm-resistant housing that will meet building standards and incorporate mitigation measures including green technologies where feasible and/or housing elevations which may require construction to FEMA's Advisory Base Flood Elevation maps
- Providing resettlement and reoccupancy incentives to homeowners contemplating selling or abandoning their homes post-storm
- Developing affordable rental housing across household income levels, with a focus on serving low and moderate income households and priority given to the nine counties identified by HUD as most impacted by the storm

- Developing a housing plan for supportive services for special needs populations.

3.1.2 Economic Vitality: Long-Term Recovery Recommendations

Restoring economic vitality to New Jersey's businesses and communities is essential for the State's long-term economic recovery and revitalization. Accomplishing this goal requires opportunities to recover from losses and to spark new economic activity within communities. Economic recovery initiatives following Superstorm Sandy should include grants and loans to small businesses that suffered damage. A broad spectrum of programs should be offered that include support for the varied needs of communities, including housing redevelopment, small business financial and technical assistance, commercial redevelopment or enhancement, tourism marketing, and planning for economic growth.

The State will undertake a number of economic initiatives as part of its recovery, which have included, or will include:

- Focusing on economic revitalization
- Conducting a state workforce study
- Conducting entrepreneurial and small business needs assessments
- Providing grants to eligible small businesses
- Addressing infrastructure improvements in commercial/retail corridors
- Providing unemployment assistance
- Considering New Jersey Economic Development Authority initiatives
- Considering New Jersey Casino Redevelopment Authority initiatives
- Considering New Jersey Redevelopment Authority initiatives
- Considering other economic/financial incentives for business retention and growth
- Restoring public parks and recreational facilities
- Restoring public streetscapes and public spaces
- Providing workforce training



Restoring economic vitality to New Jersey's businesses and communities is essential for the State's long-term recovery.

3.1.3 Infrastructure: Long-Term Recovery Recommendations

Programs for the long-term recovery of infrastructure and public facilities will be coordinated with local and regional efforts and will leverage funding from FEMA Public Assistance and other funding sources. Repairing and restoring public infrastructure that was damaged by Superstorm Sandy will involve infrastructure initiatives including:

- Undertaking planning studies to assess strategic infrastructure initiatives inclusive of hazard mitigation plans and incorporating results of planning studies in constructing more resilient infrastructure projects

- Developing a match program to subsidize the local cost share of public assistance projects

3.2 Federal, State, Local, Nonprofit, Private and Individual Sources of Funding to be Leveraged to Fund Unmet Needs

The State will leverage its CDBG-DR funds with other federal and non-federal funding sources to maximize the impact of disaster relief monies and prevent duplication of benefits. The State will program CDBG-DR funds to address funding needs not satisfied by other funding sources such as FEMA Individual Assistance grants, SBA Disaster Loans and private insurance. The State also plans to leverage its CDBG-DR dollars with funding from the FEMA Hazard Mitigation Grant Program (HMGP). Additional guidance on this process will be provided at a later date. CDBG-DR funds will complement, not supplant, these resources. The State also will provide technical assistance to ensure that local and county governments exhaust FEMA and other federal funding options prior to providing assistance through CDBG-DR programs.

In addition, through an ongoing focus toward developing and strengthening public-private partnerships with corporations, foundations, nonprofits, and other stakeholders, the State will assist and integrate efforts of the organizations already active, or that will become active in the recovery.

SECTION 4: METHOD OF DISTRIBUTION

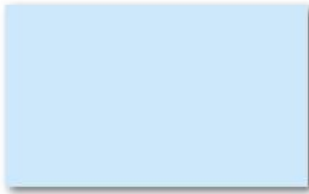
Based on the unmet needs assessment in Section 2 and input from impacted communities throughout New Jersey, the State has prioritized a portfolio of programs that will assist in meeting the short- and long-term recovery needs of its residents and communities. While the impact of the storm was much greater than the resources available under the initial HUD allocation, these programs will begin to address the unmet needs in owners' primary residences and rental housing, economic recovery and revitalization, infrastructure, environmental needs and public services activities.

The Disaster Relief Appropriations Act of 2013, requires that all CDBG-DR funded activities address an impact of the disaster for which funding was appropriated. The CDBG-DR provisions require that each activity: (1) be CDBG eligible (or receive a waiver), (2) meet a national objective as defined by 24 CFR 570.483, and (3) address a direct or indirect impact from the disaster in counties declared by the President to have been impacted by the disaster. A disaster impact can be addressed through a number of eligible CDBG activities listed in Section 105(a) of the Housing and Community Development Act of 1974, as amended.

The recovery activities herein will make full use of the three national objectives under 24 CFR 570.483 which include benefitting low and moderate income persons, preventing or eliminating slums or blight, and meeting urgent needs to implement a robust and comprehensive recovery for the residents of New Jersey.

Additionally, the Quality Housing and Work Responsibility Act of 1998 (Title V of Pub. L. 105-276) and the guidance provided by HUD in the Federal Register (FR-5696-N-01) each contain a provision allowing the use of an alternate methodology for determining low and moderate income limits for select jurisdictions. Under these provisions, grantees may use "uncapped" income limits that reflect 80% of the actual median income for the area. The State will use the uncapped limits for disaster recovery activities funded pursuant to this Action Plan in affected jurisdictions covered by these limits.

Unless otherwise stated or expanded upon in the program descriptions below, the various types of Sandy recovery assistance will be provided generally on a first-received, first-evaluated basis until all available funds are obligated. This method promotes fairness and provides an incentive to apply and begin activities quickly. DCA will conduct statewide outreach as applicable and reasonable in both English and Spanish regarding the availability of programs and encouraging applications. This outreach will be conducted shortly after HUD approval of the Action Plan and will encourage households, businesses and communities to begin gathering needed application documentation. In addition, DCA will create partnerships such as with local government agencies, nonprofits, faith-based organizations and other



Repair, replacement or relocation of damaged infrastructure is also a priority for use of these dollars.

community leaders as needed to conduct local meetings to answer questions about the application process and encourage participation.

All HUD regulations regarding lead-based paint, asbestos removal, environmental, housing quality standards, procurement and other applicable standards apply to these programs.

Details of proposed programs are below (Table 4-1).

Housing

Superstorm Sandy caused significant levels of damage to owner-occupied and rental housing within impacted counties. Based upon the State's review of the most recent data obtained from FEMA and SBA, the unmet need for housing repair and replacement is more than \$2,500,000,000. The need for safe, decent, and affordable housing is the State's top priority, which is why the State has allocated 63% of the programmatic funding from this initial tranche of CDBG-DR funds to housing programs. This is, by far, the largest CDBG-DR allocation by the State to an impacted sector. Proposed housing activities are intended to assist homeowners in reconstructing, rehabilitating, and elevating homes within floodplains as well as providing affordable rental housing for persons displaced by the storm.

Consistent with federal guidance, the State will allocate CDBG-DR funds to housing-related programs in a manner responsive to data showing how the storm affected, and continues to affect, New Jersey households. The State has allocated \$800,000,000 to programs focused on rebuilding, reconstructing, elevating and mitigating heavily damaged owner-occupied primary residences and supporting homeowner's decisions to remain in their homes. This figure amounts to approximately 72% of the total amount of CDBG-DR funds from this first tranche of funding (\$1,104,520,000) allocated by the State for housing programs. The allocation follows from the data. As described in Section 2, using HUD's methodology for calculating unmet need based on FEMA Individual Assistance data updated as of March 12, 2013, of the 56,077 residences that sustained "severe" or "major" damage as a result of Superstorm Sandy, 40,466 (~72%) are owner-occupied primary residences. Stated differently, the number of owner-occupied primary residences that experienced "severe" or "major" damage from the storm exceeds the number of rental units that sustained such damage by a factor of more than three to one. (This analysis excludes damage to second homes as, per HUD guidance, CDBG-DR funds cannot be used for second homes.) The State is committed to targeting its limited CDBG-DR resources allocated to homeowner programs to focus on the most heavily impacted counties and on primary homes that sustained severe or major damage from the storm.

Yet the State also recognizes that the storm significantly damaged rental properties, and the State has proposed programs to address that impact directly. Of the \$1,104,520,000 to be used for housing-related programs from this tranche of CDBG-DR funds, \$304,520,000 will be used for programs that support the needs of renters, and enable renters wishing to become homeowners. This amounts to approximately 28% of the total funds allocated for housing under the Action Plan, which also corresponds to the data. FEMA Individual Assistance data, updated as

Section 4: Method of Distribution

Table 4-1 Method of Distribution							
Category (Action Plan Section No.)	Allocation Level		Program (Action Plan Section No.)	Allocation Level	Estimated LMI Benefit	Maximum Housing Award	Estimated Unit Benefit
	Total Amount	Estimated LMI Amount					
Homeowner Housing (4.1)	\$825,000,000	\$565,000,000	Reconstruction, Rehabilitation, Elevation and Mitigation Program (4.1.1)	\$600,000,000	70%	\$150,000	6,000
			Housing Resettlement Program (4.1.2)	\$200,000,000	60%	\$10,000	20,000
			Sandy Home Buyer Assistance Program* (4.1.3)	\$25,000,000	100%	\$50,000	500
Total	\$825,000,000	\$565,000,000		\$825,000,000			
Rental Housing (4.2)	\$254,520,000	\$240,068,000	Fund for Large Multi-Family (4.2.1)	\$104,520,000	90%	\$120,000	1,000
			Small Rental Properties (4.2.2)	\$70,000,000	100%	\$50,000	1,750
			Pre-development Fund (4.2.3.1)	\$10,000,000	90%	\$500,000	1,000
			Blight Reduction Pilot Program (4.2.3.2)	\$30,000,000	90%	\$100,000	300
			Incentives for Landlords (4.2.4.1)	\$40,000,000	100%	\$50,000	1,000
Total	\$254,520,000	\$240,068,000		\$254,520,000			
Economic Revitalization (4.3)	\$500,000,000	\$75,000,000	Grants/Forgivable Loans to Small Businesses (4.3.1)	\$300,000,000	15%		
			Direct Loans for Small Businesses (4.3.2)	\$100,000,000			
			Neighborhood and Community Revitalization (4.3.3)	\$75,000,000			
			Tourism Marketing (4.3.4)	\$25,000,000			
Total	\$500,000,000	\$75,000,000		\$500,000,000			
Support for Governmental Entities (4.4)	\$116,000,000	\$29,000,000	FEMA Match Program (4.4.1)	\$50,000,000	25%		
			Continuation and Enhancement of Essential Public Services (4.4.2)	\$60,000,000	25%		
			Code Enforcement (4.4.3)	\$6,000,000	25%		
Total	\$116,000,000	\$29,000,000		\$116,000,000			
Supportive Services Programs (4.5)	\$50,000,000	\$50,000,000	Sandy Special Needs Housing Fund** (4.5.1)	\$25,000,000	100%	\$100,000	250
			Supportive Services Program (4.5.2)	\$25,000,000	100%		
Total	\$50,000,000	\$50,000,000		\$50,000,000			
Planning, Oversight and Monitoring (4.6)	\$84,000,000	N/A	Administrative/Planning	\$84,000,000	N/A		
Total		\$959,068,000 (Estimated)	Total	\$1,829,520,000	54.9%		

*Program provides assistance to renters seeking homeownership
 **Program provides additional rental units for special needs households

of March 12, 2013 shows that of the 56,077 residences that sustained “severe” or “major” damage from the storm, 15,611 (~28%) are rental units. The rental assistance programs will rehabilitate units damaged by the storm and create new affordable units. Certain programs are open to for-profit and nonprofit developers as well as public housing authorities. Additionally, programs will offer subsidies to qualified rental property owners in heavily impacted communities to make housing more affordable for LMI and very low income households. Finally, it is important to note that, for both homeowner and rental programs, this marks only the first tranche of CDBG-DR funding that the State will receive from HUD. As the State receives additional allocation of CDBG-DR and its data-driven unmet needs analyses evolve, it will target additional funds to its proposed programs, including homeowner and rental programs, as well as develop new programs to address those needs.

The proposed housing programs also will offer substantial assistance to LMI households. As some examples, 70% of the funding from this first tranche of CDBG-DR funds dedicated to the State’s primary homeowner reconstruction program is reserved for LMI households. Sixty percent of the monies allocated to the Housing Resettlement Program, described below, are reserved for LMI households. The State is pursuing programs to make both owning homes and renting units more affordable. And the State’s rental programs are expected primarily to assist LMI households. In total, the State projects that approximately 75% of funding allocated for State housing programs, or approximately \$830,000,000, will directly benefit LMI households.

Per HUD guidance, Appendix B to the Action Plan contains tables describing the racial and ethnic characteristics in the nine counties most affected by Superstorm Sandy as determined by HUD, based on most recently available Census Data from the American Communities Survey. To summarize those tables:

- Of the 15 Census tracts with 50% or more of the households having sustained major or severe damage, on average 90% of the households are white, non-Hispanic, 6% are Hispanic, 3% are Asian/Pacific Islander and 1% are black. The average median household income for these Census tracts is \$71,590, which is above the State median of \$67,458.
- Of the 19 Census tracks with 25% to 49% of households having sustained major or severe damage, on average 81% of the households are white, non-Hispanic, 6% are black, 3% are Asian/Pacific Islander and 9% are Hispanic. The average median household income for these tracts is \$62,297, which is below the State median.
- Of the 57 Census tracts with 10% to 24% of their households having sustained major or severe damage, on average 74% of the households are white, non-Hispanic, 10% are black, 5% are Asian/Pacific Islander and 10% are Hispanic. The average median household income for these tracts is \$64,573, which is below the State median.

The State is committed to affirmatively furthering fair housing through its housing programs, following all applicable federal and state statutes and regulations, and

vigorously enforcing fair housing laws. As described above, the State will ensure that housing assistance relating to Superstorm Sandy recovery is prioritized and allocated solely based on disaster-related need, without regard to race or ethnicity. Information relating to demographics of impacted communities will be utilized to ensure that assistance is accessible and reaches New Jerseyans in need. In support, the State is in the process of standing up household assistance centers in each of the nine most impacted counties to assist residents and communities with the recovery programs and the application process. Demographic information will be used for, among other things, assessing language barriers and case management needs to be accounted for to the reasonable extent possible in standing up these centers to maximize the benefit to impacted New Jerseyans. Local Centers are being determined with key considerations such as their central location within the impacted counties, ease and provision of accessibility, appropriate size and the level of multilingual services recommended addressing the demographic needs as analyzed for the communities and counties. The centers will also be equipped to conduct outreach, and deploy staff for home visits as needed, to accommodate the needs of the elderly and/or populations with identified special needs.

Finally, New Jersey will require all replacement and new construction to meet green building standards by requiring compliance with ENERGY STAR™.

4.1 Homeowner Assistance Programs

Homeowners suffered great losses to their physical property as a result of Superstorm Sandy. In addition, many homeowners now face challenging decisions of how to best rebuild their homes given the increased costs of insurance, decreases in property values and the costs of mitigation. The State's homeowner assistance programs will assist homeowners to stay in their homes as well as to rebuild and repair safer and smarter.

In addition to assisting homeowners in their rebuilding efforts, these programs will provide stability to communities impacted by the storms and support job growth in the construction industries.

The homeowner assistance programs will contribute to more sustainable communities. Reconstruction and rehabilitation of impacted housing provides an opportunity to incorporate green building technology and energy efficient development and meet modern building standards such as:

Reconstruction Standard: When applicable, replacement and new construction will meet the 2009 Residential International Code and the green building standards by requiring compliance with ENERGY STAR™.

Rehabilitation Standard: When applicable, the programs will adhere to the following housing rehabilitation standards:

- The State of New Jersey's Uniform Construction Code
- The Single Family Housing Rehabilitation Standard provided by the program
- The HUD CPD Green Building Retrofit checklist

All reconstruction, new construction and rehabilitation must be designed to incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigating the impact of future disasters.

4.1.1 Homeowner Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program

The RREM program will provide grant awards to eligible homeowners for activities necessary to restore their storm-damaged homes, including rehabilitation, reconstruction, elevation and/or other mitigation activities. The program will also provide reimbursement for eligible expenses incurred prior to the implementation of this program.

The RREM Program provides \$600 million towards rebuilding damaged owner-occupied homes. The maximum award, \$150,000, is based on the average cost to rebuild an average-sized home in a coastal area as described in 2013 Marshall and Swift construction cost estimates. Previous CDBG-DR programs also established grant ceilings for housing programs by calculating the average cost to rebuild. After the Gulf Coast disaster, an average cost of \$75.00 per square foot was used to determine the program allocation. With construction costs on the New Jersey coast averaging \$135.00 per square foot, the State anticipates that this program will assist approximately 6,000 homeowners.

Allocation for Activity: \$600,000,000 to benefit approximately 6,000 homeowners. The initial phase of the program will be allocated 70% for low and moderate income (LMI) households and 30% for non-LMI households.

Maximum Award: \$150,000

Eligible Applicants: Homeowners whose primary residences sustained substantial, severe or major damage from Superstorm Sandy. The residence must be located in one of the nine most impacted counties. Because the State has limited CDBG-DR funds, the priorities among eligible applicants listed below are intended to ensure that the focus of this first tranche of CDBG-DR funds is placed where storm damage was greatest. Similarly, to target affected households whose unmet need is likely most significant, the State has capped eligibility for the RREM program to households with adjusted gross income of \$250,000 or less.

The program will prioritize homeowners within the nine most impacted counties as determined by HUD. Priorities include:

Priority 1: Homes with "substantial damage," as determined by New Jersey floodplain managers, regardless of zone

Priority 2: (if demand and funds remain after Priority 1) Severe/major damage only in A/V zones

Priority 3: (if demand and funds remain after Priority 2) Severe/major damage in all other zones

Eligibility Criteria:

- Home must have been owner-occupied at the time of the storm

- Home must have served as primary residence
- Home must have been in one of the nine most impacted and distressed counties
- Homeowner must have been registered with FEMA
- Homeowner must have a household adjusted gross annual income of less than \$250,000
- The RREM program will follow the reconstruction and rehabilitation standards noted previously

Criteria for Selection:

- To ensure that assistance is available to those likely to be most in need, 70% of the \$600,000,000 allocated to the RREM program will be targeted to benefit LMI households. The remaining 30% will be targeted to households with adjusted gross income of \$250,000 or less, which figure was chosen to stretch the State's resources and to ensure that middle-class New Jerseyans are not means tested out of the RREM program. Regarding the prioritization described above, applications submitted by homeowners whose homes were substantially damaged will be processed in the order in which they are received, and prioritized ahead of other applicants whose homes were not substantially damaged until that priority has been exhausted. All other applications will be processed in accordance with the State's stated priorities, in the order in which they were received.
- 70% of the funds are reserved for LMI income households in accordance with HUD income guidelines

Eligibility: Section 105(a)(4) Housing and Community Development Act (HCDA) of 1974 as amended, (Section 18. Reimbursement of disaster recovery expenses)

National Objective: Low and moderate income, urgent need

4.1.2 Homeowner Resettlement Program

Natural disasters can often cause significant out-migration of homeowners from the affected communities, particularly among homeowners unable for a period of time to occupy their storm-damaged homes. Out-migration can significantly impact communities and also affect local economies by shrinking local tax bases. Mitigating that risk in New Jersey is therefore critical to realizing a successful recovery.

As would be expected based on past natural disasters, many homeowners in New Jersey affected by Superstorm Sandy are currently under significant financial pressures that, left unaddressed, could make it more likely that they decide to abandon their communities. Many homeowners considering rebuilding are concerned with rising insurance costs. For example, the Biggert-Waters Flood Insurance Reform Act of 2012 (the "Biggert-Waters Act") is removing subsidies that lowered flood insurance premiums for many New Jersey property owners. Over time, homeowners could see increases in their flood insurance premiums of 25% per year until the premium reflects actuarially determined flood risk. Based on

In an effort to support homeowners' decisions to stay in their homes and contribute to the rebuilding of their neighborhoods, the Homeowner Resettlement Program was created to provide struggling homeowners with much-needed resources to resettle in their homes.

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premiums noted on the FEMA FloodSmart.gov website, a \$250,000 home with full coverage, if previously subsidized, could see up to \$10,760 in premium increases over a three year period. Additionally, many homeowners with homes that are not “substantially damaged” still likely will decide to make expensive adjustments to properties, such as elevation and storm hardening because once FEMA’s ABFE maps are finalized, the maps will be part of the calculation for assessing flood risk and therefore in setting flood insurance rates. Based on the rates on the FEMA website noted above, some homeowners could see possible rate increases of between \$2,800 and \$6,700.

As a result, many low, moderate and middle income households facing a significant recovery effort, coupled with rising insurance premium increases may decide it is more beneficial to sell or abandon their properties. Many homeowners are also faced with other pressures such as declining property values and housing market uncertainties. Based on a survey of nearly 20,000 homes damaged by Superstorm Sandy, the New Jersey Division of Taxation reported that, on average, an impacted home’s taxable value decreased by \$44,883 as a result of the storm. This reflects a loss of value to the homeowner.

The State expects a \$10,000 grant that households could use toward addressing any increases in insurance premiums, in addition to other needs, will alter the calculation for many homeowners and incentivize them to remain part of their communities during New Jersey’s recovery and rebuilding effort and beyond. The resettlement program is open only to those who have registered with FEMA and have received damage to their homes or neighborhoods.

Allocation for Activity: \$200,000,000 to benefit up to 20,000 owners. Initial phase will be allocated 60% for LMI households and 40% for non-LMI households.

Maximum Award: \$10,000

Eligible Applicants: Homeowners whose primary residence sustained major and severe damage from Superstorm Sandy. The residence must be located in one of the nine most impacted counties.

Eligibility Criteria:

- Homeowner must have owned and occupied the home at the time of the storm
- Home must have served as primary residence
- Home must have sustained a FVL of \$8,000 or greater or more than one foot of flooding on the first floor (Determined by FEMA)
- Homeowner must apply for the New Jersey Homeowner Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) program, another rehabilitation program, or otherwise take steps to repair or reconstruct their residence

Controls to Ensure Compliance with Program Guidelines:

- Prior to funds being released, threshold eligibility criteria have been validated

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- Prior to funds being released, the homeowner will sign a lien to remain in his or her home as their primary residence for two years or funds will be repaid to the State
- The State will initiate monitoring of the incentive award within six months of award to ensure that the homeowner is meeting the terms of the agreement

Criteria for Selection:

- First received, first evaluated
- Initially, 60% of the funds are reserved for LMI income families in accordance with HUD income guidelines

Determination of Reasonable and Necessary Incentive Award Amounts: HUD requires all CDBG Disaster funds be justified as “reasonable” and “necessary.” Based on the continued uncertainty of homeowners who face the costs of increased mitigation measures, insurance premiums and questions about the viability of their neighborhoods which are still recovering, the resettlement incentive award is both a reasonable and necessary investment in the recovery.

National Objective: Low and moderate income, urgent need

Eligibility: Federal Register-5696-N-01

4.1.3 Sandy Home Buyer Assistance Program

Superstorm Sandy depleted both owner-occupied and rental housing stock, causing rents to increase. The Sandy Home Buyer Assistance program will provide low and moderate income households the opportunity to purchase a home by providing financial incentives to do so. The program will not only provide an affordable alternative to leasing, but will create a market for rebuilt and restored homes. The program will be administered by the New Jersey Housing and Mortgage Finance Agency.

Allocation for Activity: \$25,000,000

Eligible Applicants: Potential LMI home buyers

Eligibility Criteria:

- Home buyers must have a credit score of 620 or higher
- The loans will be restricted to LMI households, and will be secured by second mortgages that will be forgiven over a five year period

Maximum Award: \$50,000

Eligibility: 105(a)(24)

National Objective: Low and moderate income

4.2 Rental Housing Programs

New Jersey is proposing a range of rental housing activities designed to (1) replenish the stock of rental housing lost due to Superstorm Sandy, (2) rehabilitate and restore affordable rental units left uninhabitable by Sandy, (3) restore rental housing inventory that received the majority of damage to rental property and (4) provide affordable housing for special needs populations. In recognition of the breadth of damage inflicted by Superstorm Sandy, at least 80% of the rental allocation will fund projects to address the need for affordable housing in the nine most impacted counties as determined by HUD. Further, priority will be given to projects serving communities most impacted within these counties, as detailed in the unmet needs assessment in Section 2. Additionally, the State recognizes that rental housing needs have pushed displaced residents to other areas of the State, which increases demand in those areas and could result in rental shortages. Therefore, the State remains committed to provide funding for much-needed rental housing in these areas as well.

The program will restore or create a variety of rentals from "1 to 4 unit" buildings to large multi-family housing developments. Such an approach will involve a range of construction models from new construction to substantial rehabilitation of foreclosed or vacant properties to moderate rehabilitation of buildings that are currently uninhabitable but could be brought back to code with targeted repairs.

New Jersey will take a holistic approach to this important facet of recovery, taking stock of existing rental housing resources (e.g. LIHTC, HOME, CDBG, Section 8 Vouchers, Tax Exempt Bonds, Federal Home Loan Bank, Conduit Bond Financing) and leveraging them, when appropriate, with this funding. In keeping with this approach, New Jersey will utilize the State's existing array of governmental agencies and the legal powers/authority they hold, including DCA, NJHMFA, the New Jersey Redevelopment Authority, and the Department of Human Services (DHS) and other public housing authorities, to oversee and deliver rental housing recovery efforts.

While the State will directly oversee all disaster recovery rental housing efforts, private and nonprofit partners will be utilized, when appropriate, to perform particular program functions.

In addition to expanding the supply of affordable rental housing, these initiatives will create both construction and permanent jobs, provide a new platform for commercial development in neighborhoods left devastated by Superstorm Sandy, and better link housing to employment opportunities. Rental housing activities will be in compliance with all Fair Housing Act requirements to ensure that special needs populations are served and will include an initiative to promote the creation of permanent supportive housing for that purpose. The programs will require affordability controls for at least the minimum period required by federal regulations. Program activities including Low Income Housing Tax Credits (LIHTCs) will require an affordability period as prescribed by the LIHTC regulations, or as required by the New Jersey Housing and Mortgage Finance Agency.

The rental housing programs will promote sustainable communities and help to protect the environment by requiring the incorporation of green building

technology and energy efficient development. Reconstruction and rehabilitation of rental housing will meet modern building standards such as:

Reconstruction Standard: When applicable, replacement and new construction will meet the 2009 Residential International Code and the green building standards by requiring compliance with ENERGY STAR™.

Rehabilitation Standard: When applicable, the programs will adhere to the following housing rehabilitation standards:

- Chapter 23 of the State of New Jersey's Uniform Construction Code, Subchapter 6: Rehabilitation Subcode
- The HUD CPD Green Building Retrofit checklist

All reconstruction, new construction and rehabilitation must be designed to incorporate principals of sustainability, including water and energy efficiency, resilience, and mitigating the impact of future disasters.

4.2.1 Fund for Restoration of Multi-Family Housing

The fund will provide multiple funding mechanisms to facilitate the creation of quality, affordable housing units to help New Jersey recover from the loss of multi-family housing. CDBG-DR funds will be provided as zero- and low-interest loans to qualified developers to leverage 9% and 4% low income housing tax credits, tax-exempt bonds and stand-alone financing to support development. Development may include new construction, conversion of vacant commercial/ industrial buildings, or substantial rehabilitation of uninhabitable dwellings. In addition, a portion of the fund will be used to assist in the development of new permanent supportive housing units for people with special needs as well as public housing and other federally-supported housing. Funding will be allocated to the individual program components within the fund as needed in order to maximize the effectiveness of the fund and ensure that those with the greatest needs are assisted as rapidly as possible.

- The first component of the fund will leverage zero- and low-interest CDBG-DR loans with 9% low income housing tax credits in order to stretch both funding sources and to create projects that accomplish several goals. The program will follow the model New Jersey established several years ago with its HOME Express and State Balanced Housing Programs and incorporate several features that proved effective in Louisiana's "Piggyback Program."
- The second component will combine zero- and low-interest CDBG-DR loans with the State's allocation of tax-exempt bonds and 4% low income housing tax credits to create or rehab affordable housing units. The program will incentivize developers to produce mixed income buildings providing opportunities for the full spectrum of New Jersey's citizens including extremely low income households usually overlooked in traditional tax credit projects; households with incomes between 60% and 80% of AMI (not eligible for tax credit assistance) and market rate tenants.

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- The third component will be a program that utilizes stand-alone CDBG-DR funds to provide zero- and low-interest loans to create new multi-family projects that will be safer, stronger, and more resilient.
- Finally, in order to address the need for repairs in public housing and other federally-funded housing, the State has established a set-aside of up to \$5,000,000 to provide the necessary resources to support repairs to damaged public housing units, damaged federally-owned housing units, damaged HUD assisted multi-family housing and assistance to other displaced households in impacted areas as needed. These funds may be used in conjunction with tax credits or stand alone.

Allocation for Activity: \$104,520,000

Maximum Award: \$120,000 per unit

Eligible Applicants: Private for-profit and nonprofit housing developers and public housing authorities capable of developing and managing large multi-family developments

Eligibility Criteria:

- The projects must help replenish the supply of affordable rental units lost in the nine most impacted counties, or other areas deemed priority by the State

4.2.2 Fund for Rehabilitation of Small Rental Properties

More than 70% of rental properties in the most impacted areas have less than 20 units. Often, this rental type is provided by a homeowner that has an extra unit that contributes rental income to the owner, or by landlords with fewer than 25 properties. As a way to rebuild important rental assets in keeping with the neighborhood fabric, the small rental fund will provide zero interest forgivable loans to existing and new owners of rental properties with 1 to 25 units requiring significant rehabilitation. This program will produce additional rental units in areas facing severe shortages. It will also work to alleviate blight in some of the areas that were hit hardest by the storm. Properties with mold remediation needs will be prioritized. Priorities will also be set for properties of seven or fewer units and units for special needs populations regardless of unit count under the program cap.

The small rental fund will provide zero percent forgivable loans to "original" or new owners of small rental properties that received significant damage through Superstorm Sandy. To qualify as an original owner, the owner must have owned the property continuously from the time of the storm until the time of application for assistance. Eligible new owners include those entities that: (1) purchased the property after the storm or have an option to purchase, or other suitable form of site control for an eligible property that received a significant amount of damage during the storm; and, (2) wish to exercise that option in order to rehabilitate the property. First priority will be given to properties with less than eight units and properties serving certain special needs populations which typically are four units or less.

Allocation for Activity: \$70,000,000

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Maximum Award: \$50,000 per unit

Eligible Applicants: Existing and new owners of small rental properties damaged by Superstorm Sandy

Eligibility Criteria:

- Properties must have 25 units or less
- Owners will have to certify that the property is used for year-long rental housing, and not as a second home
- Units must be targeted to low and moderate income households
- Rents may not exceed 30% of income for a household earning 80% of AMI
- Projects must have received damage from Superstorm Sandy and must now require rehabilitation or contain a number of units that are in need of rehabilitation

Criteria for Selection:

- Demonstrate that the building or unit will be brought up to code using an award that is within the funding limits of the program component
- Properties with seven or fewer units and properties containing units for special needs populations will have priority for funding in the program. Properties larger than seven units that do not contain units reserved for populations with special needs may receive funding through this program after all qualified properties with seven or fewer units and those properties with units reserved for populations with special needs are awarded. Varies by program components within the fund (please see below)

Eligibility: Section 105(a)(4) HCDA

National Objective: Low and moderate income benefit for housing

Project Size/Building Type: All projects must have 25 units or less. Developments with smaller buildings containing more than 25 units in total are ineligible.

4.2.3 Housing Programs for Targeted Development Areas

Superstorm Sandy caused statewide damage and destruction of property and infrastructure and displaced thousands of households. The storm also impaired the economic vitality of heavily impacted communities and threatens to substantially reduce local tax revenues in those communities. New Jersey CDBG-DR will fund programs that will restore housing in targeted communities that, due to the impact of the storm, are at risk of physical decay and economic decline. These programs will also continue to address the unmet housing needs resulting from the loss of owner occupied homes, the loss of affordable rental housing, and the storm's impact on populations with special needs, all in ways that reduce the possibility of loss from future storms.

4.2.3.1 Predevelopment Fund for Affordable Rental Housing

The fund would provide financing to help nonprofit developers cover the pre-development costs of properties that are unsafe, underutilized, or in foreclosure. This program offers support at the early stages of development to allow nonprofit developers to complete site preparation work as well as work to finalize construction and permanent financing. The fund will cover costs related to pre-development including feasibility studies, architectural costs, environmental and engineering studies, legal costs, or other eligible soft costs.

This program would help target areas of redevelopment in which New Jersey is working with local leadership to meet the development needs of the municipality in the aftermath of the storm. This program will facilitate the development of real property deemed unsafe or counterproductive to the welfare (including economic welfare) of its residents.

Allocation for Activity: \$10,000,000

Eligible Applicants: Nonprofit developers

Eligibility Criteria:

- Projects must aid in the process of preparing a site for development
- Projects must create new affordable rental housing developments
- Projects must help to revitalize a community that has been directly or indirectly impacted by Superstorm Sandy

Criteria for Selection:

- Nonprofit developers
- Projects must meet the program's underwriting and feasibility standards

Maximum Award: \$500,000

Eligibility: Section 105(a)(1) HCDA

National Objective: Low and moderate income, and urgent need

Cost Effectiveness: All projects will be individually underwritten so as to minimize the amount of public funds spent to deliver the proposed development

4.2.3.2 Blight Reduction Pilot Program

The Blight Reduction Pilot Program will provide zero percent loans to eligible nonprofit and for-profit developers to purchase and rehabilitate foreclosed, vacant or abandoned properties in targeted communities. The program will support efforts to develop a mixed-income model of rebuilding to prevent concentrations of poverty and rebuild strong neighborhoods. The program will encourage development of affordable rental or homeownership housing in the nine most impacted counties as well as areas deemed priority areas throughout the State. The program is designed to alleviate the shortage of rental and for-sale housing and potential blight caused by the storm. The properties may be rented, developed as lease-to-purchase, or provide homeownership opportunities for low and moderate income households.

Allocation for Activity: \$30,000,000

Maximum Award: \$250,000

Eligible Applicants: Nonprofit and for-profit developers

Eligibility Criteria:

- Project must provide housing for households that are LMI
- Units must be affordable at 30% of the gross income of the resident applicant
- Properties must have an unaddressed funding need to bring the structure into compliance with all building code ordinances
- Properties may have seven units or less
- Projects must be feasible within funding caps and underwriting standards
- The Blight Reduction Pilot Program will adhere to the housing reconstruction and rehabilitation standards previously noted

Criteria for Selection: Impacted areas that are viable but threatened and in need of rehabilitation

Eligibility: Rehabilitation: Section 105(a)(4) HCDA, New Construction: FR-5696-N-01(VI)(B)(28)

National Objective: Low and moderate income, alleviate slum or blight, and unmet need

4.2.4 Programs for Immediate Housing Needs

4.2.4.1 Project Based Incentives for Landlords to Provide Affordable Housing

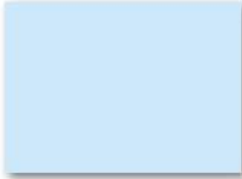
Incentive payments will be provided to qualified rental property owners to (1) quickly address the need for affordable housing in the State that has been exacerbated by Superstorm Sandy and (2) provide for the immediate needs of displaced low and moderate income households. Subsidies for units will be provided based on the level of affordability mirroring the federal Section 8 project-based methodology. Priority will be given to households earning at or below 50% of AML.

Allocation for Activity: \$40,000,000

Eligible Applicants: Property owners who agree to lease their units at affordable rents to low and moderate income households established by the State

Eligibility Criteria:

- Projects must provide affordable units to relieve the shortage of affordable rental housing



Proposed economic revitalization activities are intended to enable a broad spectrum of activities to support the varied needs of communities recovering from the disaster.



Types of eligible resiliency items are structural retrofitting and non-structural retrofitting (e.g., storm shutters, hurricane clips, bracing systems) of existing structures to meet or exceed applicable building codes relative to hazard mitigation.

- Rents payable by the household may not exceed 30% of income for a household earning 80% of AMI; rents payable by the household may not exceed 30% of income for a household earning 50% of AMI for deeply affordable units

Criteria for Selection:

- First received, first evaluated

Eligibility: FR 5696-N-01

National Objective: Low and moderate income

4.3 Economic Revitalization

Assisting communities in economic recovery and revitalization is imperative. Many of New Jersey’s small businesses sustained physical damage during the storm and/or short-term and long-term economic losses. These losses are compounded by damage in the housing and infrastructure sectors. Moreover, the vast majority of impacted small businesses have substantial unmet needs, perhaps best reflected by the fact that 93% of SBA business applicants to date have been denied.

The State has developed programs to assist in satisfying many of the unmet needs of the small business sector. In addition to activities which only serve to alleviate direct damage caused by the storm, the State will provide funding for activities that restore and improve local economies.

New Jersey will utilize the economic revitalization activities allowed under CDBG-DR to support the resurgence of the economy at the local and State level. For purposes of the programs detailed herein, economic revitalization is not limited to activities that are “special economic development” activities under the HCD Act, or to activities that create or retain jobs. For CDBG-DR purposes, economic revitalization can include any activity that demonstrably restores and improves some aspect of the local economy. Thus, an eligible activity also may address job losses, or negative impacts to tax revenues or businesses. All economic revitalization activities must address an economic impact(s) caused by the disaster (e.g., loss of jobs, loss of public revenue).

Proposed economic revitalization activities are intended to enable a broad spectrum of activities to support the varied needs of communities recovering from the disaster. Activities supporting the business sector may include small business financial and technical assistance, commercial redevelopment or enhancement, special economic development projects, workforce training, wage subsidies, tourism marketing, planning for economic growth and other activities to catalyze the State’s economic recovery. Because of a wide variation in the structure of industries in these sectors, there is no common size or standard pattern.

New Jersey small businesses are the backbone of the State’s economy. According to SBA statistics, 98.4% of the businesses in the State are classified as small. Most are very small with less than 20 employees. Nearly 76% are one person businesses. In keeping with HUD’s requirement, recovery resources are only used to support small businesses.

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Eligible activities also may include infrastructure development for economic purposes as well as mitigation and resiliency to protect and strengthen investments. It is through this comprehensive approach to revitalization that the State will be able to support its communities as they rebuild and grow. Funds will not be used to cover economic loss.

An initial allocation of \$500,000,000 will support programs developed by the New Jersey Economic Development Authority (NJEDA), an independent state authority whose primary mission is to strengthen New Jersey’s economy by retaining and growing businesses through financial assistance and by renewing and revitalizing communities. NJEDA proposes a multi-pronged approach to ensure the businesses in New Jersey’s most impacted areas are provided the support they require, including:

- Direct financial support to small businesses to satisfy unmet needs
- Financial support to impacted communities for economic revitalization efforts
- A comprehensive, national, marketing campaign to prevent further economic loss to the State’s tourism industry by informing the public that New Jersey’s tourism assets are open and visitors are welcome

As noted in Section 2.3 of this Action Plan, HUD, in its methodology for assessing economic unmet needs, acknowledges that there is a substantial gap in the financial assistance needs of small businesses and the ability for initial federal recovery resources to cover these needs. Initial programs developed by the State will be aimed at rapidly providing funds for operating expenses and commercial rehabilitation to small businesses that are experiencing time-critical cash flow issues resulting from the storm. Financial assistance will also provide catalytic resources to small and medium-sized businesses to support economic recovery. Funds will also be used for economic revitalization activities to grow local economies. Additionally, funding is to be provided to fuel economic revitalization activities to promote the growth of local businesses together with other eligible uses.

According to data from a State conducted survey, 64% of the surveyed businesses suffered \$50,000 or less in damage (Table 4-2). As a result, the State proposes using \$300,000,000 of CDBG-DR funds to provide grants to small businesses up to \$50,000 to address unmet needs.

Based on New Jersey Economic Development Authority’s (“NJEDA”) experience with construction and non-construction costs incurred by businesses, the State also proposes a zero-interest loan program that would provide loans up to \$5,000,000 to address storm damage not addressed by the grant program and to promote economic revitalization activities. Assuming an average loan of \$1,000,000, this program is expected to benefit approximately 100 businesses. With the grant and loan programs, the State also allocates \$75,000,000 for community revitalization projects based on need that will spur economic growth, and allocates \$25,000,000 for a tourism marketing campaign to bolster that vital sector of the State and local economies.

Estimated Value of Loss	Number of Businesses	Percentage
\$10K or less	512	30%
\$10K-\$25K	366	21%
\$25K-\$50K	221	13%
\$50K-\$100K	206	12%
\$100K-\$250K	198	11%
\$250K-\$500K	110	6%
\$500K-\$1M	24	1%
\$1M or greater	63	4%
N/A	35	2%
Total	1735	

Source: State survey of storm impacted businesses

The funding limits identified for the following programs to be administered by NJEDA are considered suggested amounts and may be reallocated among these programs based on demand and need. Future allocations may be dedicated to other entities such as the New Jersey Redevelopment Authority and the Casino Reinvestment Development Authority.

4.3.1 Grants and Forgivable Loans to Small Businesses

With a focus on the most impacted communities throughout the State, New Jersey will offer aid through grants of up to \$50,000 to small businesses which sustained physical damage from Superstorm Sandy.

Eligible uses of funds include costs related to rehabilitation, new construction, equipment, inventory, mitigation, refinancing, flood insurance and working capital. The working capital and other uses may be structured as forgivable loans. In following HUD's recent guidance, funds may not be used to recover financial losses from the storm.

This assistance will provide impacted small businesses with the low-cost, flexible capital that they need to resume and sustain their businesses in the months and years following Superstorm Sandy. Financial assistance under this program will be focused in geographic areas determined as storm-related priorities for the State. Other priority areas may be determined by the NJEDA as relevant to economic recovery. This program will assist supporting the long-term recovery of businesses by enabling them to repair damage and access working capital to stabilize their business operations function, return to profitability, and retain or hire new employees, thus contributing again to the State's economy.

All business types may receive this benefit with the exception of uses customarily prohibited. Types of businesses served may be limited based on additional criteria. Businesses may be required to apply to the SBA for one or both of their applicable disaster-related loan products until the respective application deadlines lapse. Nonprofits undertaking commercial/industrial activities or operating a public facility may also be eligible for rehabilitation, construction, or reconstruction assistance and may be subject to alternate criteria.

Allocation for Activity: \$300,000,000

Maximum Award: \$50,000. The actual award will be based on EDA's underwriting and feasibility standards.

Eligible Applicants: Small businesses and nonprofits, NJEDA will require businesses to demonstrate need for assistance

Eligibility Criteria:

- Businesses and nonprofits that sustained a minimum of \$5,000 in physical damage by Superstorm Sandy
- Businesses meeting the definition of small business at 13 CFR part 121 with a minimum of \$25,000 and a maximum of \$5 million in annual revenues
- Home-based businesses excluded

Criteria for Selection: First-come, first-served

Eligibility: Section 105(a)(14), (15), (17), (22) HCDA

National Objective: Low and moderate income, alleviate slum or blight, and urgent need

4.3.2 Direct Loans for Impacted Small Businesses

To further assist impacted small businesses in New Jersey in the short term, NJEDA will offer access to capital through low-cost loans to credit-worthy businesses. The products offered will be in the form of direct loans to businesses through NJEDA in amounts up to \$5,000,000. These loans are intended to assist businesses that suffered physical damage as a result of Superstorm Sandy as well as spur economic revitalization by providing funding for expansion, and business relocation into storm-impacted areas. Eligible uses include, but are not limited to rehabilitation, expansion, new construction, acquisition, equipment, mitigation, refinancing, flood insurance, and working capital.

All business types may receive these loans with the exception of uses customarily prohibited, and may be further limited based on additional criteria determined by NJEDA and outlined in program guidelines. Nonprofits undertaking commercial/ industrial activities or operating a public facility may also be eligible for rehabilitation, construction or reconstruction assistance and may be subject to alternate criteria. Credit worthiness, contribution to community revitalization and other factors determining eligibility will be further outlined in programs guidelines.

Repaid loans under this product are intended to be revolved as loans for CDBG uses to continue to assist small businesses.

Allocation for Activity: \$100,000,000

Maximum Award: \$5,000,000. The actual award will be based on EDA's underwriting and feasibility standards.

Eligible Applicants: Small businesses and nonprofits. Businesses must meet the SBA definition of small business at 13 CFR Part 121.

Eligibility Criteria:

- Businesses and nonprofits that suffered physical damage during Superstorm Sandy and/or will develop projects that will contribute to community revitalization

Criteria for Selection: First-come, first-served.

Eligibility: Section 105(a)(14), (15), (17), (22) HCDA

National Objective: Urgent Need, Alleviate Slum/Blight, LMI Area Benefit depending on the location and the nature of the business, and/or LMI jobs

4.3.3 Neighborhood and Community Revitalization

Because of the severe damage to the economies of affected areas, NJEDA will support activities tied to the economic growth and revitalization of the affected

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areas. This program will support the long-term recovery of small businesses and communities by funding long-term economic revitalization priorities. It will also support businesses to return to profitability and retain or hire new employees thus contributing again to the State's economy.

- Public facility improvements; including but not limited to: streetscapes, lighting, sidewalks, other physical improvements to commercial areas, and other activities for transformative projects such as property acquisition, demolition, site preparation and infrastructure repair and installation
- Assistance to businesses for physical improvements to their places of business
- Assistance to small businesses, including micro-loans for Superstorm-related damage and working capital, loan guarantees for loan loss reserves, and technical assistance
- Façade and code-related improvements

These funds will be administered directly by NJEDA or awarded to other entities through notices of funds availability or competitive processes which may maximize the economic impact of innovative uses, "Greening of Communities" and other transformative aspects of redevelopment. Funds are anticipated to be prioritized for low and moderate income (LMI) communities. Eligible entities will include redevelopment agencies, municipalities, businesses and nonprofits, including Community Development Financial Institutions (CDFIs), and may be in the form of grants and/or loans up to approximately \$10,000,000. Loan and technical assistance programs may be administered through New Jersey's CDFI network as either sub-grantees or contractors. Funding described above is intended to revolve for CDBG purposes once loans are repaid, unless administered by a CDFI designated as a Community Based Development Organization (CBDO).

Allocation for Activity: \$75,000,000

Maximum Award: Up to \$10,000,000

Eligible Applicants: Eligible entities will include redevelopment agencies, municipalities, businesses and nonprofits, including CDFIs and CBDOs

Eligibility Criteria: Financial assistance will support public facility improvements, including but not limited to: streetscapes, lighting, sidewalks, other physical improvements to commercial areas, and other activities for transformative projects such as property acquisition, demolition, site preparation and infrastructure repair and installation; assistance to businesses for physical improvements to their places of business; assistance to small businesses, including micro-loans for Superstorm-related damage and working capital, loan guarantees for loan loss reserves, and technical assistance; and façade and code-related improvements.

Criteria for Selection: Funds are anticipated to be prioritized for low and moderate income (LMI) communities

Eligibility: Section 105(a) HCDA all provisions

To assist impacted businesses in New Jersey, NJEDA will offer access to capital through no cost loans to credit-worthy businesses.

National Objective: Urgent need, alleviate slum and blight, LMI area benefit depending on the location and the nature of the business, and/or LMI jobs

Addressing the Needs of the Most Impacted and Distressed Areas: This program will support the long-term recovery of small businesses and communities by funding long-term economic revitalization priorities. It will also support businesses to return to profitability and retain or hire new employees thus contributing again to the State's economy.

4.3.4 Tourism Marketing Campaign to Support Impacted Areas

As mentioned in Section 2.4.3, tourism is a critical industry to the State. Tourism contributes \$38,000,000,000 in revenues in New Jersey, of which summer tourism along the New Jersey shoreline accounts for the majority. The national media coverage New Jersey received during Superstorm Sandy highlighted the devastating effects of the storm. Unfortunately, it also has left the misconception that the entire shoreline is devastated and closed to tourism. Any significant loss in tourism would risk the future of thousands of small businesses along the Jersey Shore and other impacted areas. Many of these businesses in the impacted areas are small services providers or retailers that also employ low and moderate income workers. Given this need, the State sought a waiver from HUD to market the vitality of the Jersey Shore and encourage tourism. That waiver was granted by HUD.

New Jersey will follow the example of the Lower Manhattan Development Corporation and the Louisiana Tourism Marketing Program by utilizing CDBG-DR funds to revitalize New Jersey's tourism and encourage consumer confidence in the impacted regions. Given the impacts of Superstorm Sandy in October 2012 on New Jersey tourism assets and long-term economic conditions, the State will develop a comprehensive marketing effort to promote within and outside the State that the impacted areas of New Jersey, including the Jersey Shore, is recovering or open for business.

This critical funding is needed as soon as possible to provide a powerful, positive impact on the large number of tourism-related jobs in the impacted regions.

This campaign also will strengthen consumer confidence, helping to encourage conventions to commit to areas such as Atlantic City, which has seen a \$31,000,000 loss in convention business since Superstorm Sandy.

A campaign must be put into place by April 2013 to ensure vacationers understand that many of New Jersey's businesses are operational and that other shore assets will be ready for the Summer 2013 season. A campaign also must encourage New Jersey residents and those that visit our State to shop local, thereby supporting all the businesses that are operational and ready for business.

A core part of the first year of the contract will be to design and implement a newly branded message for New Jersey to attract visitors and bolster consumer spending in Sandy-impacted areas.

The State will initially allocate \$25,000,000 to support the first year of this marketing effort, specifically focused on Superstorm Sandy Recovery. Campaigns



Any significant loss in tourism would risk the future of thousands of small businesses along the Jersey Shore and other impacted areas.

A core part of the first year of the contract will be to design and implement a newly branded message for New Jersey to attract visitors and bolster consumer spending in Sandy-impacted areas.

Given the impacts of Superstorm Sandy in October 2012 on New Jersey tourism assets and long-term economic conditions, the State will develop a comprehensive marketing effort to promote within and outside the State that the impacted areas of New Jersey, including the Jersey Shore, is recovering or open for business.

to support the tourism industry in 2014 and 2015 will be developed dependent on subsequent funding availability.

NJEDA will issue a competitive Request for Qualifications/Proposals for this Marketing and Outreach campaign, with the scope of services to include outreach/ sponsorship related to community events in the impacted areas, as well as a media campaign to include television/radio, digital media, print advertising, as well as out-of-home advertising (i.e., billboards).

Recovery Campaign Goals:

The goals and intended outcomes of the advertising and marketing campaign are:

- Stabilization or increase in tourism-related revenues in impacted areas for 2013 as compared to 2012
- Stabilization or increase in tourism-related employment in impacted areas for 2013 as compared to 2012
- Stabilization or increase in tourism-related tax revenues in impacted areas for 2013 as compared to 2012

The State Tourism Office collects annual statistics and will measure the return rate of tourism activity to the most impacted areas and the state.

The messaging of the campaign is envisioned as follows:

- The Jersey Shore is recovering or open, and visitors are welcome
- Restaurants and other businesses previously affected by Superstorm Sandy are open, fun, and ready for business
- New Jersey residents are encouraged to support impacted communities by shopping local

Allocation for Activity: \$25,000,000

Eligibility Criteria:

- The projected use of funds for marketing and outreach efforts will be focused as follows: Event and festival planning and sponsorship in impacted areas within New Jersey; advertising creation and media placement (television/radio/digital and out-of-home advertising) in targeted markets throughout New Jersey and nationally, with a focus on areas as noted above with a large base of New Jersey visitors
- New Jersey will issue a Request for Qualifications/Proposals through the Department of Community Affairs under the current procurement policies of New Jersey to select a qualified firm to undertake the services required to implement a marketing and outreach plan as described herein

Eligibility: Waiver requested and received FR-5696-N-01

National Objective: Urgent need, alleviate slum and blight, LMI area benefit

4.4 Support for State and Local Governmental Entities

4.4.1 FEMA Match for Public Assistance Program

The program will provide critical funding support to eligible applicants that lack resources to provide some, or all, of the FEMA required match for FEMA Public Assistance projects (currently 25%). The impact of Superstorm Sandy has placed an additional financial burden on governmental entities that are struggling to provide basic services.

CDBG-DR funds will be used to provide some, or all, of the (currently 25%) match required under FEMA's Public Assistance Program.

Allocation for Activity: \$50,000,000

Maximum Award: No limit

Eligible Applicants: FEMA PA Recipients

Eligibility Criteria: FEMA PA funded project

Criteria for Selection:

- Evidence that the project has been determined to be eligible and funded under the FEMA PA program

Eligibility: Section 105(a)(2) HCDA and FR 5696-N-01

National Objective: Low and moderate income, and urgent need

4.4.2 Continuation and Enhancement of Essential Public Services to Facilitate Short-Term Sustainability and Long-Term Recovery

Financial assistance will be made available to local government entities in those instances where Community Disaster Loans are either unavailable or insufficient to fund the continuation of eligible essential public services such as police protection, fire protection, health and welfare (including public works, garbage collection/disposal, and water/ and sewer), and education. Several municipalities and local government agencies have experienced, and will continue to experience, difficulties in meeting the demands and costs for critical public services as a result of the impacts of Superstorm Sandy. This program is targeted to fund essential public service needs existing after exhausting other federal and State resources available for the same purpose. Applicants will be required to seek a Community Disaster Loan prior to applying for funding.

Leveraging the State's authority to approve local budgets, the State will incorporate into its guidelines protections to ensure that municipalities do not use CDBG-DR funds as a substitute to cover expenses for essential services that could be funded through other available funding sources based on their existing budgets. The State will make available for inspection by HUD and the Office of the Inspector General documentation supporting the State's determination of eligible financial assistance for public services.

Allocation for Activity: \$60,000,000

Maximum Award: Will be based upon a financial review by the DCA's Division of Local Government Services. Staff will review requests for duplication of benefits and ensure that only the amount necessary for unmet needs will be granted.

Eligible Applicants: Counties, Municipalities, Authorities, Fire Districts, School Districts and other local government agencies providing essential services

Eligibility Criteria:

- Application must address a severe financial need in one or more of its public service functions, resulting from the impact of Sandy
- Application must aid in the short term recovery of those units of local governments most impacted by Superstorm Sandy and allow for appropriate budget capacity to accommodate needs related to additional essential services to long-term recovery

Criteria for Selection:

- Completed Community Disaster Loan applications and FEMA action on applications that demonstrate a financial burden created by Superstorm Sandy that will jeopardize the delivery of essential government services
- The Community Disaster Loan is fully utilized, but is insufficient to sustain essential/critical applicant services, including: police protection, fire protection, health and welfare (including public works, garbage collection/disposal, and water/sewer), and education until local budgets have been stabilized
- The DCA has determined through a review of financial information, including Community Disaster Loan Applications, Introduced Budgets, and Annual Financial Statements that there exists an extreme hardship and the applicant will have to reduce or eliminate essential services unless assistance is provided to fund the public services
- The DCA shall issue, through its Division of Local Government Services, a Local Finance Notice explaining the program objective of ensuring essential services and setting forth program parameters to ensure transparency. Program parameters shall include minimum and maximum awards and a requirement to utilize funding for essential services that would otherwise be unfunded due to a disparity between essential service funding levels and the availability of Community Disaster Loan funds

Eligibility: 105(a)(8)/570.201(e) - Public Services. Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, and welfare (but excluding the provision of income payments identified under 570.207(b)(4))

National Objective: Benefit to low and moderate income and urgent need

4.4.3 Code Enforcement Grant Program

Ensuring that homes are built safer and up to code is a precondition of effectively repairing and rebuilding the housing sector. The State is proposing to supplement

local code enforcement offices with additional personnel, to provide an online plan review and permitting process, and to enhance the Department of Community Affairs' continuing education curriculum for code officials to include training in flood hazard mitigation practices and other storm-related code issues.

Allocation for Activity: \$6,000,000

Eligibility Criteria:

- Code enforcement must support local construction code officials related to the reconstruction and rehabilitation of buildings impacted by Superstorm Sandy
- Code enforcement must support the training of code enforcement officials in both preventive and mitigation measures

Criteria for Selection:

- Code enforcement
- Training
- Online plan review and permits
- Staffing analysis

Individual Grant Threshold: TBD

Eligibility: Section 105(a)(3) HCDA

National Objective: Low and moderate income, urgent need, and alleviate slum and blight

Superstorm Sandy had a severe impact on households that include individuals with special needs.

4.5 Supportive Services Programs

Superstorm Sandy had a severe impact on households that include individuals with special needs. The State will fund the Sandy Special Needs Housing Fund to provide capital subsidies for supportive housing development and allocate CDBG-DR funds to the Departments of Human Services, Health, and Children and Families to support the services these agencies provide to assist nonprofit organizations in addressing the needs of this population. State and Federal funding for community placements are available from both the Division of Developmental Disabilities and Division of Mental Health and Addiction Services. These funds are the source of the service dollars to support housing development under the Sandy Special Needs Housing Fund. This CDBG-DR allocation will complement the allocation of Social Services Block Grant Funds to maximize and not duplicate benefit.

4.5.1 Sandy Special Needs Housing Fund

Because of the storm's impact on housing that accommodates special needs populations, as well as victims of domestic violence, a direct allocation will be made to the New Jersey Housing and Mortgage Finance Agency to operate a fund in a manner similar to the New Jersey Special Needs Housing Trust Fund dedicated to the construction of quality, permanent supportive housing throughout New Jersey to expand housing options for these groups.

Section 4: Method of Distribution

Under the recent Olmstead Lawsuit settlement, the State will continue its progress in moving people with developmental disabilities from residential developmental centers to community placements. Placements are selected in consultation with residents, family members and guardians. As of this writing, 427 individuals have indicated a location preference when appropriate housing becomes available. A number of these individuals have expressed the desire to be near family or to return to their hometowns, which include storm impacted communities. A State and local government partnership created to respond to the facility closings and expand the supply of supportive housing for people with disabilities is scheduled to deliver over 300 beds in 75 three or four bedroom ranch style homes in the coming months. In addition, the State's Low Income Housing Tax Credit Qualified Allocation Plan encourages special needs units in new development. Based on the spending rate of the State's recently depleted Special Needs Housing Trust Fund, the State can expend \$25,000,000 within two years.

Allocation for Activity: \$25,000,000

Eligible Applicants: For-profit and nonprofit developers with demonstrated housing development experience

Affordability Restrictions: Units will be deed restricted

Eligibility Criteria:

- Developer must demonstrate that the Special Needs Housing Fund dollars can be fully expended within the allowable time frame (two years)
- 75% of the fund will benefit households at or below 30% of the Area Median Income. The remaining 25% will benefit households with gross income between 30% and 80% of the Area Median Income
- Financing will be structured as an amortizing loan. Cash flow loans may be available for projects that cannot support an amortizing loan as determined by the New Jersey Housing Mortgage and Finance Agency
- Loans cannot exceed 80% of total development cost. For 100% special needs projects the maximum loan amount is \$2,500,000. For mixed occupancy the maximum loan amount is \$100,000 per unit

Eligible Uses: Capital financing for acquisition of land or buildings, rehabilitation of existing buildings or new construction

Eligibility: Section 105(a)(8) HCDA

National Objective: Low and moderate income and urgent need

4.5.2 Supportive Services Program

Lead Agency: DCA will administer the Supportive Services program to deliver grants for critical supportive services needs that have been increased as a result of the storm.

Allocation for Activity: \$25,000,000

Section 4: Method of Distribution

Eligible Applicants: Department of Children and Families; Department of Health; Department of Human Services

Process: DCA will receive applications from eligible departments to serve persons with special needs

Eligible activities under this program include, but are not limited to projects that:

- Provide funding to prevent homelessness among low income residents of the nine most impacted counties
- Develop education outreach in impacted communities on possible post-storm health risks
- Train public health and environmental health specialists to support health assessments in impacted communities
- Mitigation of environmental health concerns including West Nile Virus
- Mold remediation training
- Maintaining a database and systems for emergency communications
- Establishing protocols to better prepare medical needs shelters following natural disasters
- Case management
- Capital funding for group and transitional home development for individuals with disabilities and those at risk of homelessness
- Emergency homeless shelter replacement
- Capital grants for elderly, mobility disabled households, and institutions to provide accessibility features such as ramps, rails and elevators

Eligibility: Section 105(a)(8) HCDA

National Objective: Low and moderate income, alleviate slum or blight, and urgent need

4.6 Planning, Oversight and Monitoring

The State must certify and have in place proficient financial controls and procurement processes, adequate procedures to prevent any duplication of benefits as defined by Section 312 of the Stafford Act, processes to ensure timely expenditure of funds, maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, processes to detect and prevent waste, fraud, and abuse of funds, perform environmental reviews on every project and ensure all projects are compliant with the Uniform and Relocation Act, Davis-Bacon and other labor standards, Fair housing, Section 3, Part 85 and other federal laws. HUD provides monies to the State for the operating costs associated with day-to-day management of programs. Proper oversight and administration ensures reduction in concerns or findings from HUD. Findings from the Federal

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Section 4: Method of Distribution

Government can require repayment of CDBG Disaster funds back to HUD. Additional oversight and monitoring activities are described in Section 6.

The HUD appropriation regulation for the CDBG-DR funds requires the State to examine its goals and objectives to promote sound, sustainable long-term recovery planning that is informed by a post-disaster evaluation and coordinated with other local and regional planning efforts.

Planning grant assistance is available on a local and/or regional basis in order to guide long-term recovery and redevelopment. Examples of planning studies include but are not limited to: comprehensive plans, economic development plans, recreation plans, zoning ordinances, and land development codes. The State will provide up to \$2,500,000 for historic preservation, archeological and other mitigation studies as required by HUD for the implementation of programs.

Any planning assistance provided through CDBG-DR funds will be required to be coordinated within the framework of the New Jersey Statewide Hazard Plan and with other relevant functional land use and critical infrastructure investment plans. The state agency steering committee that coordinates statewide planning efforts will be charged with ensuring that this local and regional planning assistance is complemented with alignment of a wide range of State functional plans and regulations, as well as identifying available non-recovery fiscal resources to facilitate implementation.

Some of the funding will also be utilized to provide technical assistance to subrecipients receiving CDBG-DR funds so that recovery programs will be implemented efficiently, effectively and in compliance with the federal, state and local regulations. This includes ensuring coordinated and streamlined compliance with environmental and historical preservation requirements, which New Jersey's Department of Environmental Protection is actively working toward.

Allocation for Activity: \$84,000,000

4.7 Pre-Agreement Costs

New Jersey will follow provisions of 24 CFR 570.489(b) which permits the State to reimburse itself for otherwise allowable costs incurred by itself or its recipients, subgrantees or subrecipients (including public housing authorities) on or after the incident date of the covered disaster. Section 24 CFR 570.200(h)(1)(i) will not apply to the extent that it requires pre-agreement activities to be included in a consolidated plan. All the pre-agreement costs such as engineering, planning, administration, and program delivery are exempt from the environmental process in accordance to 24 CFR 58.34.

SECTION 5: PERFORMANCE SCHEDULE

When performance metrics are not met by service providers, penalties against those providers will be assessed.

To satisfy HUD guidance in the Federal Register (5696-N-01), New Jersey will amend its Action Plan within 90 days to provide detailed performance metrics. The performance metrics will be based on quarterly expected expenditures and outcomes. When performance metrics are not met by service providers, penalties against those providers will be assessed.

The Action Plan must contain estimated and quantifiable performance outcome factors. The below table illustrates the currently estimated outcomes per funding category. These estimates are preliminary and likely will change.

Factors that may affect performance measures include completing federally required environmental and historical reviews, contractor availability, weather, and availability of other funding sources. These and other potential factors will be important in finalizing and meeting proposed performance metrics. The State anticipates that HUD will provide flexibility to extend timelines based on these and other relevant factors. The State will also work closely with HUD to determine the fund draw schedules consistent with implementation and construction schedules identified in the Action Plan. At this time, the State of New Jersey is committing 100% of its allocation from this first tranche of CDBG-DR funding for the programs listed in this Action Plan. The State is requesting that HUD obligate 55% of those funds as of the approval of this Action Plan. As programs are activated and progress, the State will request additional draw downs of CDBG-DR funds from this first tranche.

Performance Metrics			
Program Category	Total Funding	Estimated Outcomes	
Homeowner Housing	\$825,000,000.00	26,000	Homeowners Assisted
Rental Housing	\$254,520,000.00	5,000	Rental Units Assisted
Economic Revitalization	\$500,000,000.00	10,000	Businesses Assisted
FEMA Match Program	\$50,000,000.00	2,000	Applicants for Assistance
Supportive Services	\$50,000,000.00	5,000	Individuals Assisted
Public Services	\$60,000,000.00	60	Governmental Agencies to Benefit
Code Enforcement	\$6,000,000.00	30,000	Home Inspections Completed
Administration/Planning	\$84,000,000.00		

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SECTION 6: OTHER CRITERIA

Housing rehabilitation and reconstruction activities will be designed to achieve maximum energy efficiency to the extent achievable on a cost-effective basis, considering construction and operating costs over the life cycle of the structure.

6.1 Promotion of High Quality, Durable, Energy Efficient, and Mold Resistant Construction Methods

Newly constructed or substantially rehabilitated housing units must meet all locally adopted and enforced building codes, standards, and ordinances. New Jersey has adopted the 2009 International Residential Code, which provides for quality, durable, energy efficient and mold resistant construction. Housing rehabilitation and reconstruction activities will be designed to achieve maximum energy efficiency to the extent achievable on a cost-effective basis, considering construction and operating costs over the life cycle of the structure. Efficiency may be demonstrated through design based on LEED, ENERGY STAR™, and/or other comparable guidelines and rating systems. Construction methods should comply with local building codes and incorporate mold resistant construction materials.

6.2. Steps the State Will Take to Encourage Adequate, Flood-Resistant Housing for All Income Groups

New Jersey, by emergency order, has adopted FEMA's updated Advisory Base Flood Elevation (ABFE). Using these more current advisory maps provides residents and communities with FEMA's best available data for mitigating against the risk of future flood events.

The State has adopted the following provisions for rebuilding stronger structures:

- **Advisory Base Flood Elevation Maps:** Adopts the height and construction requirements in FEMA's ABFE maps as a State standard for reconstruction. The ABFEs reflect the best available and most current scientific data.
- **Permits by Rule:** Allows property owners who rebuild to the ABFEs (plus one additional foot, as has been required by the New Jersey Flood Hazard Area Control Act) to do so via Permit by Rule. This should eliminate the need for thousands of property owners to apply for permits, saving them at least \$500 in permit fees plus the design and engineering costs associated with an application, and allowing them to begin reconstruction without waiting for review.
- **Wet Floodproofing:** Allows "wet floodproofing" for non-residential buildings. Wet floodproofing means that a building may flood but will structurally withstand the water, and enables reconstruction in urban areas in a safer and less costly manner than requiring elevations or dry floodproofing.
- **Foundation Requirements:** Prohibits certain building foundations from having only three walls, a potentially unsafe construction method.

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6.2.1 Sea Level Rise

Per HUD guidance (FR-5696-N-01), New Jersey's Action Plan must account for and address sea level rise. New Jersey will incorporate, where applicable, appropriate mitigation measures and floodplain management throughout proposed programs.

6.2.2 Special Needs Populations

Currently, the State provides housing for special needs populations through the following agencies: the Department of Human Services, Department of Community Affairs, Housing and Mortgage Finance Agency, the Department of Veterans Affairs, and the Department of Children and Family Services. The State will implement a series of programs designed to afford special needs populations access to affordable, long-term housing.

6.2.3 Homeless and Special Needs Support

Based on the unmet needs identified in Section 2, the State has existing programs to support special needs populations, including: homeless populations, households at risk of becoming homeless, persons with disabilities, older adults, and other special needs. These programs include but are not limited to: residential services for group homes, apartments and family care homes, and programs to assist individuals who are homeless or at imminent risk of becoming homeless. The Department will continue to provide these services, focusing additional resources as appropriate to solve storm-related issues.

Emergency Shelter and Transitional Housing Needs of Homeless Individuals and Families: The State will work with FEMA to extend the deadline on the Temporary Sheltering Assistance program to ensure that families and individuals with longer-term rebuilding needs have access to safe and affordable temporary housing.

Actions New Jersey Will Take to Assist Homeless Persons Transition to Permanent Housing: The State currently has a number of programs to address special needs residents including the homeless. The special needs funding rounds in the Low Income Housing Tax Credits Program produce new permanent housing units for the homeless and other special needs populations. The Special Needs Housing Trust Fund is used to support the operation and provision of services in these developments. The CDBG-DR Rental Housing Programs support these efforts for the homeless as well as significantly increase the overall supply of affordable housing to help prevent homelessness.

Actions to Prevent Low-Income Individuals and Families with Children (especially those with incomes below 30% of area median) from Becoming Homeless: DCA provides a number of programs to support low-income families. Following the storm, the State made available an allocation of 1,000 Section 8 Housing Choice Vouchers to prevent low-income families from becoming homeless. The State also has a rental assistance program that is designed for low income populations.

Actions to Address Supportive Housing Services: The State has strong existing programs to produce and provide permanent supportive housing services. These

The State will implement a series of programs designed to afford special needs populations access to affordable, long-term housing.

services will be supplemented by new special permanent supportive housing projects to be developed through the CDBG-DR rental and housing programs. The State will provide permanent supportive housing “set asides” in the multi-family components by requiring developers to provide a certain percentage of their units for people with special needs. These new units will also be eligible for services provided by the Division of Mental Health and Addiction Services to ensure the best outcomes for tenants. Through its slate of housing recovery programs, the State will seek to increase its stock of permanent supportive housing units, which provide stable, permanent housing to the formerly homeless and those persons with special needs.

6.2.4 Public Housing and HUD Assisted Housing Support

As discussed in Section 2, a significant number of public housing units and federally funded housing units were damaged by Superstorm Sandy. Additionally, many Housing Choice Voucher recipients remain displaced. The State’s housing programs have given a priority with a \$5,000,000 set-aside to restoring damaged public housing and other federally funded or owned housing as needed. Additionally, the rental programs proposed in this plan will bring on line affordable units for persons of low and moderate income.

The State will also promote the availability of affordable housing in areas of opportunity where appropriate and support plans that are equitable to racial, ethnic and low-income concentrations.

6.3 Green Building

The State will require replacement and new construction to meet green building standards by requiring compliance with ENERGY STAR™. New Jersey will further encourage green building practices throughout all other proposed programs. New Jersey and its grantees can utilize the Center for Green Building at Rutgers University and its New Jersey Green Homes Remodeling Guidelines as a resource for green building practices. The New Jersey Green Home Remodeling Guidelines was funded with grants from the New Jersey Department of Environmental Protection and the United States Environmental Protection Agency. The Guidelines were developed with broad participation and the concurrence of an advisory group composed of residential building and remodeling professionals, interior designers, landscape architects, and experts in the field of green building and energy-efficient design.

Further, New Jersey has had several meetings with various agencies including Northeast Energy Efficiency Partnerships, U.S. Green Building Council (USGBC), International Code Council, New Jersey Chapter of USGBC, and New Jersey Chapter of American Institute of Architects (AIA) to develop a plan for encouraging sustainable community initiatives and implementing green building, energy efficiency and storm hazard mitigation measures.

6.4 Anti-Displacement and Relocation

The State plans to minimize displacement of persons or entities and assist persons or entities displaced as a result of implementing a project with CDBG-DR funds. This is not intended to limit the ability of the State to conduct buyouts or acquisitions for destroyed and extensively damaged units or units in a floodplain.

The State will ensure that the assistance and protections afforded to persons or entities under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), and Section 104(d) of the Housing and Community Development Act of 1974 are available. The State plans to exercise the waivers set forth in Federal Register 5696-N-01 pertaining to URA and HCD Acts given its priority to engage in voluntary acquisition and optional relocation activities to avert repeated flood damage and to improve floodplain management.

6.5 Program Income

The State will comply with HUD requirements found in 24 CFR 570.489. In the event the State's activities generate program income, those funds, to the maximum extent feasible, shall be distributed before the State makes additional withdrawals from the Treasury.

6.6 Monitoring Standards and Procedures

DCA will oversee all activities and expenditures of the CDBG-DR funds. Existing State employees will be utilized and additional personnel and contractors may be hired to aid in the administration of, and to carry out, recovery programs. Not only will these personnel remain involved in ensuring that there are layers of financial control, they also will provide technical assistance to the State, and will undertake administrative and monitoring activities to better assure compliance with applicable requirements, including, but not limited to, meeting the disaster threshold, eligibility, national objective compliance, fair housing, nondiscrimination, labor standards, environmental regulations, and procurement regulations at Part 85.

Each activity funded will meet the disaster threshold and one of HUD's three national objectives, with emphasis on achieving the primary national objective of benefiting low and moderate income persons, and will be an eligible activity. DCA staff will perform the monitoring in accordance with a DCA CDBG-DR monitoring plan.

DCA will maintain a high level of transparency and accountability by using a combination of risk analysis of programs and activities, desk reviews, site visits, and checklists modeled after HUD's Disaster Recovery Monitoring Checklists and existing monitoring checklists used in monitoring regular program activities. DCA will determine appropriate monitoring of grants, taking into account prior CDBG-DR grant administration performance, audit findings, as well as factors such as the complexity of the project.

The primary purpose of the State's monitoring strategy is to ensure that all projects comply with applicable federal regulations and are effectively meeting their stated goals. The frequency and areas monitored will be determined by a risk analysis. All projects will be monitored at least once on-site during the life of the activity. The

results of monitoring and audit activities will be reported to the Commissioner of DCA.

The DCA will determine the areas to be monitored, the number of monitoring visits, and their frequency. Communities and State agencies will be provided training and technical assistance if requested, or if the DCA determines that in-house or on-site monitoring is needed.

The State will continue to follow all guidelines it uses to monitor projects funded under the regular CDBG program. The monitoring will address program compliance with contract provisions, including, but not limited to environmental reviews, fair housing, Section 3 compliance, compliance with the Davis-Bacon Act as well as other labor standard provisions, procurement regulations, fair housing and equal opportunity requirements, and compliance with the OMB A-87, program income, and other CDBG financial requirements. The State plans to retain all program income but may allow certain subgrantees and subrecipients to retain program income to continue eligible CDBG-DR activities. These policies and procedures are consistent with those used by HUD to monitor state-administered entitlement programs. All necessary environmental reviews shall be performed on each project prior to funding.

6.6.1 Administration and Staffing

Additional personnel and contractors will be hired to administer and carry out the CDBG-DR Program. DCA is establishing a Sandy Recovery Division focused on the administration of the recovery programs, consisting of more than 50 positions, who will coordinate with existing DCA divisions. Tasks will include ensuring overall program direction, financial controls, procurement, outreach and communications, compliance, information management, and recovery subject matter experts in program operations and budgets. In addition, DCA is developing detailed written process maps and program guidelines to direct the work of all staff and subrecipients for each program. DCA is adapting existing procedures to cover all crosscutting topics such as Davis Bacon, Fair Housing, Section 3 and file management for disaster recovery. The recovery staff will also provide technical assistance to grantees, and undertake monitoring activities to ensure compliance with applicable requirements. These regulations include, but are not limited to: fair housing, nondiscrimination, labor standards, environmental regulations, and procurement. DCA will expand upon its existing staff of over 900 employees and experience in managing CDBG, Section 8, NSP, Weatherization, and several federal and State community development, housing, and local government programs.

In accordance with New Jersey Executive Order No. 125, Accountability Officers will be appointed to oversee the responsible disbursement and utilization of federal reconstruction resources allocated by or through each department. Each Accountability Officer will serve as a liaison to the Governor's Office of Recovery and Rebuilding and to the State Comptroller. Internal auditors will monitor and review for compliance with federal and state laws and regulations. Internal auditors will report directly to the Commissioner of DCA.

Technical assistance or training will be provided to sub-recipients and State agencies on regulations, reporting requirements, and payment procedures for funds awarded for disaster recovery.

6.6.2 Reporting

Each awarded applicant will report information necessary and relative to the status of its activities, and other information as required by HUD. Additional reporting requirements (i.e., annual audits, contractual obligations, labor and minority business enterprise reports, as applicable) will be specified in the contract documents.

6.6.3 Prevention of Duplication of Benefits

As provided by the Stafford Act, duplication of benefits is prohibited in accordance with the HUD Federal Register 5582-N-01. DCA will continuously monitor, or cause to be monitored, for compliance with this requirement. FEMA, National Flood Insurance Program, private insurers, the U. S. Army Corps of Engineers, SBA and other agencies will be contacted and data sharing agreements put into place to ensure that there is no duplication of benefits occurring within the various programs.

6.6.4 Floodplain Restrictions

Floodplain restrictions will be monitored closely. Funds may not be used for persons who have received previous federal assistance (including loans) where the purchase and maintenance of flood insurance was a requirement, and the individual has allowed his or her flood insurance to lapse. In addition, all grantees must inform participating property owners of any future requirements related to the purchase and maintenance of flood insurance.

No funds will be used for activities in areas delineated as a Special Flood Hazard Area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to, or within, the floodplain.

6.6.5 Additional Steps To Avoid Occurrence of Fraud, Abuse and Mismanagement

On February 8, 2013, Governor Chris Christie signed Executive Order No. 125 concerning the monitoring and oversight of federal reconstruction funds. The Executive Order directed all Executive Branch departments administering federal reconstruction resources to follow a framework that will provide comprehensive and stringent safeguards to make certain all federal resources are utilized through an ethical and transparent process. Such safeguards include:

- Each principal department of the State shall submit all potential State procurements involving expenditure of federal reconstruction resources to the New Jersey Office of the State Comptroller for review prior to commencement of the procurement process. The State Comptroller shall determine whether the proposed procurement process complies with applicable public contracting laws, rules and regulations. Pursuant to its enabling legislation, the State Comptroller's Office is an independent office that is charged with evaluating the efficiency, effectiveness and transparency of all government entities and to identify and eliminate fraud, waste and abuse throughout State and local government.

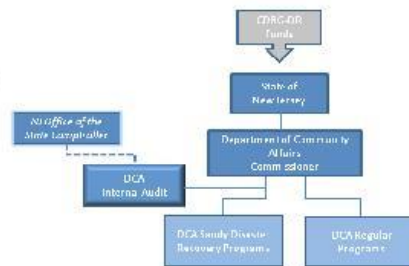
Section 6: Other Criteria

- Each principal department and agency of the State is directed to appoint an "Accountability Officer" to oversee the responsible disbursement and utilization of federal reconstruction resources allocated by or through that department or agency. Each Accountability Officer shall serve as a liaison to the Governor's Office of Recovery and Rebuilding and the State Comptroller.
- The New Jersey Office of the State Comptroller shall maintain a transparency website that will provide access to approved State contracts for the allocation and expenditure of federal reconstruction resources. The website also will provide information to the public regarding available federal funding streams and funding criteria, the tracking of federal funding allotments, and contract vendor information.

The State will adhere to the conflict of interest provisions referenced at 24 CFR 570.611.

To establish an effective system of internal control and a program of audit and evaluation to provide assurances and safeguards concerning DCA's disbursement of federal reconstruction funds, DCA's Office of Auditing, in conjunction with other departmental personnel, will conduct a thorough and comprehensive enterprise-wide risk assessment related to federal reconstruction funds every six months. The organizational diagram of DCA's Internal Audit office is shown below. The risk-assessment will serve as the basis for the audit and compliance plans which will address the following:

- Audit paper application files for anomalies through risk-based judgmental sampling.
- Evaluate and test selected internal controls, including IT-related controls.
- Deliver training to all staff responsible for monitoring or administering federal reconstruction funds that will focus on the identification of risk factors and fraud indicators, and the implementation of a system of internal controls that provides reasonable assurances that funds are being administered in accordance with law, code and policy. The training sessions will emphasize that sound internal controls require the efforts of all departmental personnel, not only auditors and compliance staff.
- Ensure that anti-fraud brochures and posters that include a fraud tip-line to the State Comptroller's Office are distributed and prominently displayed throughout the department, satellite offices and construction sites.
- Coordinate with applicable Federal, State and Local law enforcement authorities concerning the disbursement of federal reconstruction funds.



- Implement a comprehensive and effective compliance program that includes: investigative protocols, whistle-blower procedures, and a process to refer matters to local, state and federal authorities.
- Ensure that DCA's auditing, monitoring and evaluation process effectively mitigates the risk of fraud, waste and abuse and the disbursement of reconstruction funds is transparent to all stakeholders.

6.7 Increasing Capacity at the Local Level

Technical assistance and training will be provided to sub-recipients and State agencies with a role in administering and implementing CDBG-DR programs. These include the Departments of Environmental Protection, Human Services, Children and Families, Health, the Economic Development Authority, the New Jersey Redevelopment Authority and the Housing and Mortgage Finance Agency. Through both in-house staff and engaged consultants, DCA will provide initial training to all subrecipients and grantees on CDBG-DR regulations, reporting requirements, payment procedures, and monitoring compliance. DCA will also assign disaster recovery program staff to each subrecipient to provide continued Technical Assistance (TA) throughout the program. Additionally, the compliance and monitoring staff and/or consultants will regularly visit subrecipients to enhance capacities and ensure knowledge transfer.

Applications and guidelines for local government programs will be issued by DCA. Other State or federal agencies will be asked to review and comment on applications, as appropriate.

6.8 Substantial Amendments to Action Plan

The following events would require a substantial amendment to the Action Plan:

- Change in program benefit or eligibility criteria
- A new allocation or re-allocation of more than \$1,000,000
- The addition or deletion of an activity

A substantial amendment to the New Jersey Action Plan will follow the same requirements as the publication of the original action plan in accordance to the Citizen Participation Plan.

6.9 Citizen Participation

Citizen participation is an essential component of the State's planning effort. The State strongly encourages public participation to identify community needs. Citizens and other stakeholders are given an opportunity for reasonable and timely access to information and comment period relating to the Action Plan, any ensuing substantial amendments, and the use of CDBG-DR Funds under the Disaster Recovery Program.

The State is committed to providing access to the Action Plan programs for all its citizens. These efforts include special consideration for those with limited English proficiency (LEP) and persons with disabilities. The State performed the

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four-factor analysis prescribed in the Federal Register 72 FR 2732. As a result of the analysis, the Action Plan and any ensuing substantial amendments will be published in both English and Spanish. Key participant documents such as application forms will also be available in both English and Spanish. No language other than Spanish exceeds 5% of the population statewide. As indicated in the table below, the nine most impacted counties do not individually reach a threshold of 5% for languages other than Spanish. Based on the analysis of the highly impacted counties, there are noted lower percentages of other LEP populations.

County	Total Population	Total LEP Population	Language 1 (name)	Language 1 (LEP population)	Language 1 (LEP % of total pop)	Language 2 (name)	Language 2 (LEP population)	Language 2 (LEP % of total pop)
New Jersey	8,253,100	1,036,300	Spanish	594,700	7%	Chinese	50,600	1%
Atlantic County	257,100	28,500	Spanish	15,800	6%	Chinese	2,000	1%
Bergen County	850,300	120,900	Spanish	41,300	5%	Korean	26,200	3%
Cape May County	92,700	3,400	Spanish	2,300	2%	N/A	N/A	N/A
Essex County	727,600	106,000	Spanish	59,600	8%	Portuguese	15,300	2%
Hudson County	585,600	150,000	Spanish	105,400	18%	Arabic	5,000	1%
Middlesex County	753,900	122,200	Spanish	53,800	7%	Chinese	11,700	2%
Monmouth County	593,700	41,600	Spanish	21,300	4%	Portuguese	4,000	1%
Ocean County	534,400	23,700	Spanish	13,400	3%	Italian	1,400	<1%
Union County	496,500	103,500	Spanish	70,400	14%	Portuguese	9,100	2%

*Note: LEP number estimates by language are displayed only if 500 persons or more
The term LEP refers to any person age 5 and older who reported speaking English "less than very well," as classified by the U.S. Census Bureau*

To ensure meaningful access to vital documents for participant information, the State will respond to identified language needs in making translation available as requested and reasonable in other languages, based on the analysis within noted communities and counties. In addition, the household assistance centers being established in the impacted counties, in over nine local locations, will include Spanish-speaking counselors and translation services for other languages, upon request (see Section 4 for more information on these centers). Based on analyzed needs and requests, DCA will conduct additional informational meetings in LEP communities in Spanish and other languages, as reasonable, in order to assist these households to apply for assistance.

Individuals with disabilities may request auxiliary aids and service necessary for participation by contacting (TTY/TDD) 609-984-7300 or 1-800-286-6613 (within NJ, NY, PA, DE, and MD). Program application procedures will also follow prescribed guidelines to ensure access for individuals with disabilities. As requested, application and other key materials will translated into Braille and other formats for persons with visual impairment. Each of the household assistance centers will be accessible to persons with physical impairments and locations for all community meetings will be reviewed for maximum accessibility. The State intends to provide for remote (web or phone based) counseling for potential applicants who cannot reach the housing assistance centers due to their disability. The centers will also be equipped with personnel who can be deployed for home visits, particularly for elderly and disabled.

The DCA website provides a direct link to Sandy-related recovery resources and will be updated with CDBG-DR information. DCA has established the email address of Sandy.Recovery@dca.state.nj.us to enable ongoing citizen input.

6.9.1 Citizen Participation Plan

The State has been in constant communication with its residents, local leaders, and other stakeholders since prior to Superstorm Sandy's landfall. This continuous outreach has helped identify the needs and priorities of the many communities affected throughout the State, and informs the programs set forth in this Action Plan.

State personnel have been providing ongoing support to the hardest hit communities following the storm. State officials also have held frequent calls and meetings with impacted communities to discuss, among other things, the storm's effects on New Jersey's housing stock, infrastructure, and business community. Examples of these outreach efforts include:

- In December of 2012, outreach and informational meetings were held in Bay Head, Lavallette, Little Ferry, Sea Bright, Seaside Heights and Toms River.
- In January of 2013, outreach and informational meetings were held in Bay Head, Keansburg, Mantoloking, Sea Bright, Stafford and Union Beach.

In addition, the State organized outreach sessions with the Governor's Office of Recovery and Rebuilding, DCA, the DEP, and leaders of local governments. Examples include:

- February 4, 2013 with Atlantic City, Brigantine, Longport, Margate, Pleasantville and Ventnor.
- February 5, 2013 with Aberdeen, Keyport, Union Beach, Keansburg, Middletown, Atlantic Highlands and Highlands.
- February 6, 2013 with Perth Amboy, South Amboy, Sayreville, Old Bridge, South River and Carteret.
- On February 11, 2013 with Sea Bright, Monmouth Beach, Little Silver, Rumson, Fair Haven, Red Bank, Long Branch, Shrewsbury and Oceanport.
- February 12, 2013, with Cape May County, Stafford, Little Egg Harbor, Barnegat, Tuckerton, Long Beach Island, Surf City, Ship Bottom, Beach Haven, Harvey Cedars and Barnegat Light.
- February 12, 2013 with Asbury Park, Bradley Beach, Avon, Belmar, Lake Como, Spring Lake, Sea Girt, Manasquan, Bay Head, Pt. Pleasant Beach, Pt. Pleasant Boro, Sea Bright, Monmouth Beach, Little Silver, Rumson, Fair Haven, Red Bank, Long Branch, Shrewsbury and Oceanport.
- February 13, 2013 with Brick, Seaside Heights, Seaside Park, Berkeley, Toms River and Lavallette.
- February 14, 2013 with Little Ferry, Moonachie, Hoboken, Jersey City, and Bayonne.

Moreover, the Governor has led five Town Hall meetings in the impacted counties. Those meetings were:

- December 20, 2012 in Belmar, Monmouth County
- January 16, 2013 in Manahawkin, Ocean County
- February 27, 2013 in Montville, Morris County
- March 12, 2013 in Paterson, Passaic County
- March 26, 2013 in Middlesex, Middlesex County

The Governor continues to hold a monthly radio address called "Ask the Governor" in which a majority of the input is related to the recovery needs post Sandy. Additionally, the Governor has deployed "mobile cabinets," whereby senior officials traveled to seven locations throughout the most impacted communities to meet with local leaders and hundreds of residents to discuss recovery-related needs. Those locations include Sayreville, Oakhurst, Bayville, Brick, Little Ferry, Sea Bright and Union Beach. Additional mobile cabinets are being planned and will be deployed in the future to municipalities throughout the impacted counties. Moreover, Cabinet Members have held numerous meetings in impacted communities and with various stakeholders, far too numerous to list, though several are noted throughout this Section. For example, the Commissioner of DCA held meetings with the County Executive in Essex on February 19, 2013, the Mayor of Newark on January 29, 2013 and the Mayor of Orange on November 27, 2012 and January 4, 2013. State departments and agencies have responded to tens of thousands of Sandy-related correspondence and telephone calls from constituents.

Throughout the recovery effort, the State has had continuous and ongoing communications with local governments from impacted communities on an array of subjects relating to the recovery. As just one example, the DCA Division of Local Government Services (LGS) leadership has communicated with local governments through issuance of Local Finance Notices, on January 18, 2013 and again on February 6, 2013, advising all municipalities of the availability of recovery funding resources, particularly the Community Disaster Loan Program. The notice further requested municipalities to contact LGS if losses of property tax revenues resulting from Superstorm Sandy were expected to exceed 5% of annual revenues. This has led, to date, to direct meetings between LGS staff and 34 municipalities to discuss the impact of the storm and possible ways to ameliorate the impact of lost revenues on services and other essential public spending needs.

As another mechanism to incorporate input from interested stakeholders, DCA established the State Led Disaster Housing Task Force (the Task Force), which members include federal and state agencies, as well as the National Voluntary Organizations Active in a Disaster (VOAD), area non-profits, and the long term recovery committees in the most impacted counties. The Task Force was activated just days after Superstorm Sandy and continues to meet weekly, along with its subgroups. To date, the Task Force has held over 50 meetings. The subgroups are designed for in-depth discussion and strategy development regarding specific topic

areas of the housing recovery, including: construction, short and long term housing assistance, finance, communications and information management.

The feedback received from this outreach with local governments, Task Force members and citizens informed the State's program design by highlighting many housing, business, infrastructure and other needs arising as a result of Superstorm Sandy. The feedback also identified mitigation opportunities. Additionally, local governments identified budget challenges and difficulties providing important public services as among the issues they faced as a result of the storm.

Additionally, the State conducted significant outreach to Public Housing Authorities (PHAs) to gauge the issues faced by certain PHAs as a result of the storm. On March 20, 2013, DCA held a meeting with thirteen PHA Executive Directors from the nine counties most impacted by Superstorm Sandy. These included Executive Directors from PHAs in Atlantic City, Cape May, Carteret, Elizabeth, Irvington, Jersey City, Linden, Millville, Neptune, Ocean City, Orange, Perth Amboy and Pleasantville. All Executive Directors were invited to attend, and many of those who chose not to attend indicated that their facilities did not sustain damage. Feedback from this meeting informed the unmet needs assessment in Section 2 of this Action Plan. In addition, DCA is currently assisting PHAs with referrals to FEMA.

Moreover, for the last three months, DCA and HUD (through the participation of Regional Field Office Director Diane Johnson) have participated in weekly Task Force meetings, described above, which, among other things, have focused on and assessed storm impacts on PHAs in affected communities. In particular, the Task Force focused on public housing stock and on the need of public housing residents. The meetings also sought to identify and mobilize additional resources for PHAs to address those impacts and needs.

Separate from the weekly Task Force meetings, the DCA Commissioner held meetings with Diane Johnson on November 15, 2012 (along with HUD Secretary Shaun Donovan), December 7, 2012, December 14, 2012, December 21, 2012, January 18, 2013 (along with a representative of the Governor's Office of Recovery and Rebuilding), February 1, 2013, and March 1, 2013, all of which had as a specific objective discussing the unmet needs and challenges facing PHAs.

Furthermore, in mid-March, DCA distributed an assessment questionnaire to forty-seven PHAs located in the nine most impacted counties. The questionnaire was sent to remaining PHAs on April 4. The questionnaire was intended to allow PHAs to quantify and describe the damage sustained to public housing units and common property. In an effort to define PHAs' unmet needs, the questionnaire also solicited data related to costs to repair damage, anticipated insurance proceeds, FEMA eligible expenses, project reserves and any other sources of funds. The responses received were overwhelmingly positive. PHA representatives commended the State on the speed with which it produced a thorough and thoughtful plan that addressed the range of needs arising from the storm. Currently, 18 questionnaires have been received. Additional information is being provided through direct outreach calls with PHAs. This information supports the State's initial allocation related to PHAs and will be used to inform future distributions of CDBG-DR funds and to connect PHAs to resources that may address specific needs. Notably, PHA representatives

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have agreed to participate in future State-led Disaster Housing Task Force Housing Subgroup meetings that currently occur biweekly.

Regarding the impact of Superstorm Sandy on New Jersey's business sector, the State has undertaken various efforts to identify the needs of New Jersey businesses. For example, the New Jersey Economic Development Authority (NJEDA) and the Business Action Center (BAC) engaged in meetings and outreach on a county-by-county basis to better understand the economic impacts of the storm. NJEDA also met with industry groups individually, including the New Jersey Marine Trades Association, New Jersey Manufacturers, and State-funded Destination Marketing organizations, to understand how specific industries were impacted and the long-term recovery needs of those industries. Since early November 2012, NJEDA and the BAC participated in twelve stakeholder meetings as part of the Economic Recovery Support Function. Stakeholders at these meetings included members of local Chambers of Commerce, elected and non-elected officials, businesses, community leaders, travel/tourism officials, and planners. Additionally, the BAC's call center collected information from businesses on their recovery needs, which was shared with state and federal departments and agencies during weekly meetings. These are just some examples. Other State departments and authorities undertook various outreach efforts to identify the impact of the storm on the business sector, which impact is described above in Section 2.

Based on this substantial outreach to the business community, DCA and its proposed subrecipient of CDBG-DR funds, NJEDA, have proposed to use this first tranche of CDBG-DR funds from HUD to provide assistance critical to revitalize businesses and focus on immediate needs, such as providing capital, in the form of grants, to eligible impacted businesses, providing loans to assist in recovery and promote economic revitalization, and bolstering New Jersey's tourism industry through a \$25,000,000 tourism marketing campaign.

The State likewise has undertaken numerous efforts to identify and address health and social service-related needs. These efforts primarily have involved the New Jersey Department of Health, the New Jersey Department of Human Services, and the New Jersey Department of Children and Families. As one example, the Commissioner of the Department of Human Services and senior leadership embarked on a seven-county "listening tour" in January 2013 aimed at better understanding the needs of health and social service consumers, impacts of the storm on systems for delivering those services, program gaps, current needs and future planning. Entities responsible for providing certain services were present at each meeting, as were other stakeholders. Overall, the New Jersey departments have remained in consistent contact through meetings, telephone calls, and other communications aimed at identifying health and social services needs resulting from the storm. Those contacts informed the types of programs to be funded using CDBG-DR funds.

Moreover, in focusing outreach efforts on communities impacted by the storm, the State's outreach has included various communities that, based on Census tract data, have a significant proportion of minority residents and non-English speaking residents. As some examples, this included outreach to communities such as:

- Asbury Park on February 12, 2013
- Atlantic City on February 4, 2013
- Bayonne on February 14, 2013
- Carteret on February 6, 2013
- Hoboken on February 14, 2013
- Jersey City on February 14, 2013
- Long Branch on February 12, 2013
- Perth Amboy on February 6, 2013
- Pleasantville on February 4, 2013
- Oceanport on February 12, 2013
- Red Bank on February 11, 2013
- Sayreville on November 15, 2012 and February 6, 2013

The State's outreach efforts are ongoing, and the State will continue to contact impacted communities throughout the State to further the State's goal of achieving an efficient, effective and expedient recovery from Superstorm Sandy.

The Action Plan was made available in Spanish on the DCA website at the following address: www.state.nj.us/dca/announcements/pdf/NewJerseyActionPlan-EnEspanol.pdf

The State's outreach also has included numerous meetings with stakeholders having important perspective on recovery related issues. For example, DCA met with the Fair Share Housing Center and the Housing and Community Development Network of New Jersey to listen to recommendations as the State develops housing recovery priorities. DCA leadership also has received direct input from several other associations, including the New Jersey Builder's Association, the New Jersey Society of Architects, New Jersey Apartment Association, and the New Jersey Realtor's Association. These are just some examples, as the State's efforts to incorporate stakeholder input into the recovery effort, which remain ongoing, have been substantial.

Additionally, DCA's LGS has actively engaged local governments, universities, associations of architects and planners, and private sector groups to discuss planning needs. For example, input was received from such groups as the Barnegat Bay Partnership, the College of New Jersey, Urban Land Institute, and Together North Jersey. This coordination will continue and will inform planning initiatives going forward.

The State's outreach efforts will continue throughout the duration of the program planning and recovery process, in accordance with the established CDBG-DR Citizen Participation Plan. Since the completion of the State's Draft Action Plan and release for Public Comment, the State has actively solicited responses to the Plan through a series of press releases and other direct communications. Press releases

through the Governor's Office includes distribution to 14 Spanish language media outlets, 3 Asian language media outlets, one African American outlet and eight Jewish media outlets.

- On Tuesday, March 12, the Governor's Press Office issued a press release unveiling the proposed Community Development Block Grant Disaster Recovery Action Plan, which outlined how New Jersey plans to utilize \$1,829,520,000 in federal funding (<http://www.state.nj.us/governor/news/news/552013/approved/20130312c.html>). The press release referenced the seven-day period for public comment and directed people to the NJ Department of Community Affairs (DCA) website to read the Action Plan. Aside from the English version of the Action Plan, the DCA posted the Spanish version of the Plan, a public comment form, a public comment email address, and instructions on how to submit a public comment about the Plan.
- The State's Intergovernmental Affairs team ("IGA") directly distributed this press release to their contacts in local governments, including mayors, business administrators, council members and other officials. This placed information relating to the posting of the Action Plan directly in the hands of community leaders. And throughout the recovery process, IGA has worked closely with local governments to ensure a coordinated recovery effort across State and local government.
- The draft plan and its availability received widespread local and regional media coverage and stories ran in several newspapers including the Star-Ledger, the Record, Asbury Park Press, Press of Atlantic City, the Wall Street Journal, the Associated Press, the Philadelphia Inquirer, and in the Ahora Newspaper published in Spanish.
- On Wednesday, March 13, DCA Assistant Commissioner Ana Montero sent an email alert about the Action Plan public review and comment to the New Jersey State-Led Disaster Housing Task Force.
- On Thursday, March 14, the New Jersey Housing and Mortgage Finance Agency sent an email alert about the Action Plan public review and comment to the New Jersey Housing Finance Task Force.
- On Friday, March 15, the DCA's Division of Local Government Services issued a GovConnect notice to all Municipal Clerks, Municipal Chief Financial Officers, Municipal Tax Collectors, County Freeholder Board Clerks, County Chief Financial Officers, Authority Officials, Fire District Officials, and Local Procurement Officials about the Action Plan public review and comment. In sum, several thousand State and local officials, from all 21 counties and all 565 municipalities in the State, received this notice.
- On Thursday, March 21, the Governor's Press Office issued a press release answering Frequently Asked Questions about the Disaster Recovery Action Plan (<http://www.state.nj.us/governor/news/news/552013/approved/20130321c.html>).

- On Thursday, March 28, the Governor's Press Office issued a press release announcing the Disaster Recovery Action Plan was submitted to HUD for review and approval (<http://www.state.nj.us/governor/news/news/552013/approved/20130328a.html>). The press release noted that members of the public had an opportunity to comment on the Action Plan during a seven-day period that closed March 19 and that the Plan submitted to HUD includes the public comments that were submitted along with the State's responses.

6.9.2 Citizen Complaints

The State, sub-grantees and recipients, if any, will establish procedures for responding to citizens' complaints regarding activities carried out utilizing these CDBG-DR funds. Citizens will be provided with an appropriate address, phone number, and times during which they may submit such complaints. The State and sub-grantees will provide a written response to every citizen complaint within 15 working days of the complaint.

6.9.3 Comment Period

A formal public comment period opened at 5pm (EST) on March 12, 2013 to extend for a 7 day period until March 19, 2013 at 5:00pm (EST). Comments to the proposed Action Plan are accepted during the public comment period, with email submittals via Sandy.Recovery@dca.state.nj.us.

The proposed Action Plan was posted prominently on the DCA website at www.state.nj.us/dca/. The proposed Action Plan was made available in English and in Spanish. The Spanish version was found at www.state.nj.us/dca/announcements/pdf/NewJerseyActionPlan-EnEspanol.pdf and confirmed as posted on March 12, 2013 by the New Jersey Office of Information Technology's tracking system. The State received one comment in Spanish which expressed appreciation for posting the Action Plan in Spanish. The Governor's Office of Constituent Relations (OCR) received phone calls regarding CDBG. OCR also had two fluent-Spanish speakers available as needed.

News releases as well as links on the New Jersey government website at www.state.nj.us and the Sandy Transparency Portal announced the comment period and the proposed Action Plan.

6.9.4 Summary of Comments to the Proposed Action Plan

This is the first phase of Community Development Block Grant Disaster Recovery funds provided to New Jersey by the U.S. Department of Housing and Urban Development (HUD). The State worked diligently to craft an effective Action Plan in a timely manner. Before the Plan was submitted to HUD for review and approval, the public was given an opportunity to comment. The DCA received 198 comments. The Action Plan in English can be viewed at <http://www.nj.gov/dca/announcements/pdf/CDBG-DisasterRecoveryActionPlan.pdf>. The Action Plan Spanish Version is at <http://www.nj.gov/dca/announcements/pdf/NewJerseyActionPlan-EnEspanol.pdf>.

A summation of the comments follows.

Consideration of Public Comments

Comment #1

How to Apply

A number of commenters asked for specific information on how to apply for programs identified in the draft Action Plan.

Staff Response:

The draft Action Plan outlines programs the State is planning to offer using the first tranche of CDBG-DR funds provided by HUD to New Jersey to assist the State's recovery from Superstorm Sandy. HUD must approve the draft Action Plan before the State can access CDBG-DR funds and implement its proposed programs. The State continues to work on developing mechanisms to administer its proposed programs efficiently and effectively, which includes developing program applications.

Once HUD approves the State's Action Plan and the mechanisms for administering proposed programs are in place, the State will use a variety of media outlets and other outreach to inform the public of the availability of funds and about how to apply for programs.

Comment #2

Second Home Benefits

A number of commenters expressed concern that CDBG-DR funds cannot be used to address second homes damaged by Superstorm Sandy. Commenters maintained that second homes would remain storm damaged and empty without financial assistance targeted to reconstruct or rehabilitate them.

Staff Response:

The requirements set forth by HUD in the Federal Register (FR-5696-N-01) regarding CDBG-DR funds appropriated to address impacts of Superstorm Sandy expressly prohibit using CDBG-DR funds for second homes. New Jersey is bound by this requirement.

Comment #3

Increased Costs Due to New Requirements

A number of commenters expressed concern regarding FEMA's Advisory Base Flood Elevation (ABFE) maps. Commenters were frustrated that although they did not live in an area that previously had flooded, they may have to elevate based on expansions of the flood zones in the ABFE maps as compared to the current Base Flood Elevation maps. Several property owners sought clarity on whether they will be required to elevate because of the ABFE maps. Many were concerned about the cost of home elevations. Commenters expressed further concern over the increased cost of flood insurance and stated that if residents cannot afford flood insurance, they may choose to leave their neighborhoods, causing neighborhoods to decline. Commenters also expressed concern that the Biggert-Waters Flood Insurance Reform Act of 2012 will increase flood insurance rates for many property owners.

Commenters offered ideas and recommendations to mitigate future flood risk apart from elevating properties, including rebuilding barrier islands, restoring dunes and raising seawalls.

Staff Response:

The State recognizes the significant cost of home elevations, which is why the RREM program will assist eligible homeowners by providing grants up to \$150,000 for activities including elevations. This program prioritizes eligible homeowners whose primary residence was 'substantially damaged' and those who, if their homes are below FEMA's ABFE maps, are required to elevate.

By the Biggert-Waters Flood Insurance Reform Act of 2012, the U.S. Congress eliminated the subsidy that significantly reduced flood insurance premiums for individuals residing in a floodplain, so premiums going forward will be more closely associated with actual flood risk. The State has no say in this federal policy. The State recognizes the additional financial pressure that this federal legislation places on individuals residing in a floodplain, which is why we are preparing these grant programs to help assist with the cost of mitigation, conformance, and rebuilding to safer, stronger standards. Building to these safer standards with the financial assistance offered by the State means greater public safety and less risk of flood damage, which will help keep insurance premiums down over the long run, saving homeowners money and helping maintain affordability. This State is in addition to federal assistance for mitigation and conformance costs that is available through the ICC program.

The draft Action Plan supports mitigation and resiliency efforts to address future flooding risks. The State is committed to long-term safety and sustainability of its communities and infrastructure, and continues to develop, assess and implement mitigation and resiliency strategies.

The State understands the frustration and uncertainty surrounding FEMA's ABFE maps. As detailed in the draft Action Plan, FEMA's ABFE maps as currently drafted would add more than 33,000 structures to the floodplain. FEMA had been working on remapping the floodplain along New Jersey's coastline for two years when Sandy struck.

Currently, the only households that have to rebuild to FEMA's ABFE maps are those repairing structures that were 'substantially damaged' (i.e., damage greater than 50% of structure's assessed value) as determined by the municipal floodplain manager. Property owners whose homes were not 'substantially damaged' are not required to elevate at this time. FEMA's ABFE maps do not affect insurance premiums. Updated preliminary maps will be released by FEMA and until they are finalized, which may take 18 to 24 months, insurance rates are not impacted. The State anticipates that FEMA ABFE maps will be revised based on additional data and analysis.

Comment #4

Emergency Notification

Commenter indicated that it was difficult for him to find emergency information focused on New Jersey because of power outages that resulted from the storm.

Staff Response:

The State is reviewing its emergency response systems to ensure it is best able to disseminate emergency information to New Jerseyans in future disasters. The Board of Public Utilities is requiring the Electric Distribution Companies (EDCs) to take specific action to improve their preparedness and responses to major storms. The Board approved 103 separate measures based on recommendations contained in a report prepared by the Board's consultant Emergency Preparedness Partnerships (EPP).

Comment #5

SBA Requirement

A number of commenters requested that eligibility for CDBG-DR programs not be tied to filing an SBA loan application or to SBA's approval or denial of that application. One commenter asked if homeowners affected by Sandy who received SBA applications but did not file them will be eligible for CDBG-DR funds, and stated that groups had indicated that filing an SBA application was required to receive Other Needs Assistance.

Staff Response:

Per HUD requirements, so long as the SBA application period remains open, filing an application with SBA is required for homeowners or businesses to receive CDBG-DR funds. SBA loans must be accounted for when calculating a homeowner's or business' unmet need that may be addressed with CDBG-DR funds, to avoid any duplication of benefits. If the SBA application is denied, there is no duplication of benefits concern regarding CDBG-DR funds. After SBA programs close, however, homeowners and businesses may apply for CDBG-DR funds even if they did not file an SBA application when the SBA program was open.

Currently, the deadline for a homeowner or business to file an SBA loan application to seek funding based on physical damage caused by the storm is May 1, 2013. The deadline for a business to file an SBA loan application to seek funding based on economic losses sustained as a result of the storm is July 31, 2013. Either or both deadlines may be extended.

Comment #6

Definition of Storm Related Priorities

Commenter asked for a definition of "storm related priorities" in relation to the draft Action Plan.

Staff Response:

The requirements set forth by HUD in the Federal Register (FR-5696-N-01) regarding CDBG-DR funds appropriated to address impacts of Superstorm Sandy expressly require New Jersey to allocate 80% of the CDBG-DR funds from this tranche to the nine 'most impacted and distressed' counties as determined by HUD. Those counties are Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union.

Comment #7

Towns Losing Ratables

Commenter expressed concern that towns will suffer because residents will leave if they cannot afford to rebuild. Commenter suggested a possible tax break for people purchasing damaged homes to rehabilitate and use as a primary residence as a way to offset losses.

Staff Response:

In the draft Action Plan, the State has proposed a Resettlement Program to incentivize primary residents under short-term pressure to sell their homes to remain part of the fabric of their communities. Additionally, the proposed RREM program will assist eligible homeowners with reconstructing, rehabilitating, elevating and/or mitigating their storm-damaged homes by providing grants up to \$150,000 for unmet needs, which also should reduce some risk of towns losing residents for lack of funding to rebuild. The State also has proposed a Blight Reduction Program, a number of programs to rehabilitate damaged rental properties, and a program to assist eligible individuals who are purchasing homes, which should add residents to affected communities or allow current residents to remain. Furthermore, the State's draft Action Plan includes a proposed program to protect municipalities from budget shortfalls caused by the storm not satisfied by FEMA Community Disaster Loans so that if a municipality loses significant revenues, monies will be available to ensure that essential services still can be provided.

As subsequent tranches of CDBG-DR funds are provided to New Jersey by HUD, the State will continue to prioritize and address its unmet needs. Currently, the State's primary focus is on helping affected households (homeowners and renters) and small businesses rebuild. As long-term recovery continues, the State will maintain flexibility to consider all avenues, including tax breaks, that may further the long-term recovery effort.

Comment #8

Help for Self Employed

Commenter asked for assistance for self employed individuals who have lost tools of the trade.

Staff Response

As described in the draft Action Plan, the State proposes to provide grants and low cost loans to eligible small businesses to assist their recovery. These funds can be used for rehabilitation, equipment, inventory, mitigation, refinancing and working capital.

Comment #9

Design Solutions

Commenter encouraged design solutions to mitigate future flooding.

Staff Response:

The draft Action Plan supports mitigation and resiliency efforts to address future flooding risks. The State is committed to long-term safety and sustainability of its communities and infrastructure, and continues to develop, assess and implement mitigation and resiliency strategies.

Comment #10

Request for Case Worker(s) and Counseling

A number of commenters encouraged the use of case workers to help applicants navigate the CDBG application process, cut through red tape and receive CDBG-DR funds expeditiously. Commenters recommended the HUD Housing Counseling Program Guide be adopted and that fifteen HUD Approved Housing Counseling Agencies be selected and trained. Commenters also supported a marketing campaign to inform families of Sandy relief programs.

Staff Response:

The State will administer proposed programs in a streamlined manner that reduces red tape, but that still provides for necessary and robust protections against waste, fraud and abuse. The State also plans to help applicants navigate the CDBG-DR application processes, including by using case workers where appropriate. The State continues to work on developing mechanisms to administer its proposed programs efficiently and effectively.

If HUD approves the draft Action Plan, the State will use a wide variety of media outlets and other outreach to inform the public of the availability of funds and on how to apply for programs.

Comment #11

Temporary and Permanent Rental Assistance

Commenter recommended that displaced tenants who were receiving temporary State Rental Assistance (SRAP) be allowed to obtain a permanent Sandy Voucher (Section 8 /HCVP). Commenter expressed concern that some displaced tenants receiving temporary rental assistance have been denied the opportunity to apply for permanent Sandy Vouchers (Section 8/HCVP).

Staff Response:

The Christie Administration set aside 1,000 Section 8 Housing Choice Vouchers (HCV) as Special Admission Housing Choice Vouchers to assist households affected by Superstorm Sandy. To be eligible, the impacted household must be registered with FEMA and be eligible for rental assistance from FEMA. State Rental Assistance recipients meeting these criteria are eligible to apply. Special Admission applications remain available and can be obtained by calling (609)633-6606 or by sending an email request to Hurricane.Sandy@DCA.State.NJ.US.

Comment #12

Beach/ Resiliency/Sustainability/Barrier Islands

A number of commenters urged restoration of barrier islands and beach dunes, and also urged that no funds be diverted from direct aid to victims of Superstorm Sandy.

Staff Response:

The State will continue to work with FEMA, the U.S. Army Corps of Engineers, other federal partners, municipalities and other interested stakeholders in developing and implementing mitigation and resiliency measures that harden New Jersey's environmental infrastructure.

Additionally, the State continues to address rebuilding and recovery holistically, seeking to use its limited resources to address the State's many unmet needs in a thoughtful and responsible way. While all CDBG-DR funds will be spent in a manner that helps those impacted by the storm, the help takes different forms. Helping households (homeowners and renters) and small businesses rebuild is the State's top priority, which is reflected in the total amount of CDBG-DR monies dedicated for that purpose. However, the State also must promote tourism to ensure that small businesses recover from the impact of the storm and remain sustainable. Moreover, using CDBG-DR funds for essential health and social services, providing monies for planning to promote resilient and sustainable rebuilding, and protecting municipalities against unaddressed budget shortfalls are other examples of programs essential to an integrated and effective recovery.

Comment #13

Help for Older Adults

A number of commenters asked that more help be offered to older adults seeking to return to their damaged homes. Commenters expressed concern that some older adults may not be able to afford to rebuild, particularly if rebuilding requires accommodations to address accessibility issues.

Staff Response:

As described in the draft Action Plan, the State recognizes that some older adults may face unique recovery challenges, including accessibility issues. The RREM and Resettlement programs described in the draft Action Plan will provide grants to eligible homeowners, including older adults, that can be used to address accessibility issues, among other things. Additionally, some older adults likely will benefit from the State's proposed rental programs.

Comment #14

Tourism Campaign

Commenter urged that funds for the tourism marketing campaign or other funds be released immediately to promote tourism.

Staff Response:

The State understands the time-sensitive nature of a tourism marketing campaign aimed at attracting tourists to New Jersey for the 2013 beach season. For this reason, the State plans to roll out shortly an online marketing campaign using State monies aimed at attracting visitors to New Jersey. This is in addition to other efforts the State continues to take to get the word out that much of the Jersey Shore is open for business.

Regarding the tourism campaign to be supported by CDBG-DR funds, HUD must approve the State's draft Action Plan before the State can access to CDBG-DR funds to begin that campaign. The State will award a competitively procured marketing contract and subsequently launch the marketing campaign.

Comment #15

Arts Funding and Lost Wages

Commenter stated that Superstorm Sandy severely affected the arts community, resulting in canceled performances, damaged venues, lost jobs and destroyed equipment. Commenter urged that tourism marketing funds be earmarked for New Jersey's nonprofit arts industry.

Staff Response:

After the draft Action Plan is approved, the State will announce its tourism marketing campaign. The New Jersey Economic Development Authority contemplates working with Destination Marketing Organizations within the State to assist in deploying marketing dollars and supportive events to draw visitors to communities and venues that are open for business.

Additionally, nonprofits are eligible to receive funding under proposed small business programs, including grant and loan programs, provided they satisfy all eligibility requirements.

Comment #16

Middleclass Benefits

A number of commenters maintained that middleclass homeowners have not been given enough consideration in the draft Action Plan.

Staff Response:

The State is committed to helping middle class homeowners reconstruct, rehabilitate, elevate and mitigate their storm-damaged homes. By using adjusted gross income under \$250,000 as an eligibility benchmark, the State sought to ensure that middle class New Jerseyans would not be means-tested out of the RREM program. Additionally, the Resettlement program is offered to all homeowners who meet eligibility requirements.

Notably, HUD requires that 50% of all CDBG-DR funds be used to benefit low and moderate income (LMI) households, which informs how the State targets the use of CDBG-DR funds.

As additional CDBG-DR funds are allocated to New Jersey by HUD, the State will continue to refine its proposed programs and develop additional programs to assist affected New Jerseyans.

Comment #17

Comment Period

A number of commenters claimed that there have been inadequate hearings on the draft Action Plan. Commenters stated that the comment period should be longer, and that additional groups should be consulted.

Staff Response:

Because of the devastation caused by Superstorm Sandy, HUD established a more streamlined approach for preparing and submitting CDBG Action Plans in order to expedite the release of CDBG-DR funds to those in need.

As set forth in Section 6 of the State's draft Action Plan, the State conducted significant outreach to affected citizens, communities, businesses and other stakeholders, which informed the draft Action Plan.

Comment #18

Rental Assistance

Commenter noted help was needed to restore rental property, even if the home is also a secondary residence.

Staff Response:

The requirements set forth by HUD in the Federal Register (FR-5696-N-01) regarding CDBG-DR funds appropriated to address impacts of Superstorm Sandy expressly prohibit using CDBG-DR funds for second homes. New Jersey is bound by this requirement.

The State is proposing a Small Rental Property program designed to help owners of rental properties - ranging from single family homes to 25 unit structures - if the rental property is available for rental use on a full time basis and all other eligibility requirements are satisfied.

Comment #19

Rental Distribution of Benefits

A number of commenters asked that more focus be placed on, and more funding be provided to, renters affected by Superstorm Sandy. Commenters were concerned that the amount of money overall going to assist homeowners exceeds the amount being provided to assist renters and to rebuild or construct rental properties.

Staff Response:

As described in the draft Action Plan, FEMA Individual Assistance data as of March 12, 2013, indicates that of residences sustaining 'severe' or 'major' damage from the storm, approximately 72% are owner-occupied primary residences and 28% are rental units. (Per HUD requirements, this analysis excludes second homes). Thus, the State determined that the first tranche of CDBG-DR funds should be weighted toward assisting structural rehabilitations and reconstructions by primary residents as compared to structural rehabilitations and reconstructions of rental properties, though the State still has dedicated substantial CDBG-DR funds from this first tranche to both. The State allocated \$800,000,000 to homeowner programs and \$304,520,000 to rental programs. Notably, funding allocated from this first tranche to the homeowner and rental housing assistance programs has been weighted proportionately to damage reflected in the FEMA Individual Assistance data. Seventy-two percent of the monies allocated across all housing programs are allocated to the RREM and Resettlement Programs. The remaining 28% is allocated to rental programs or to provide assistance to eligible individuals to purchase homes.

That said, the State recognizes the urgent need to address the loss of rental housing as a result of the storm and has allocated substantial CDBG-DR funds to address that need. Over \$250,000,000 in proposed programs from this first round of funding seek to aggressively restore damaged rental properties, as well as to leverage existing programs to bring more rental units online. It is expected

that approximately 5,000 affordable rental units will be created as a result of the State's proposed programs.

Additionally, the State's draft Action Plan addresses just the first tranche of CDBG-DR funding provided to the State by HUD. As additional CDBG-DR funds are allocated to New Jersey, the State will continue to assess its unmet needs and prioritize its needs as it provides additional funding to proposed programs or proposes new programs.

Comment #20

Elevation Help for Homeowners

A number of commenters requested help for costs to elevate primary residences.

Staff Response:

The RREM Program will provide eligible homeowners up to \$150,000 for unmet needs associated with the reconstruction, rehabilitation, elevation and/or mitigation of damaged homes. Priority will be given to homes that are 'substantially damaged' (damages exceed 50% of a home's assessed value) as determined by a municipality's floodplain manager and that are located in one of the nine most impacted counties as determined by HUD.

Comment # 21

Nonprofit Participation

Commenter supported direct funding to nonprofits for recovery work and an increase in LMI funding.

Staff Response:

A number of programs in the draft Action Plan are targeted to address the needs of impacted nonprofits and enable nonprofits to participate in recovery efforts. For example, nonprofit developers may apply to develop rental housing under the Fund to Restore Multifamily Housing, the Small Rental Program, the Predevelopment Fund, the Blight Reduction Pilot Program and the Sandy Special Needs Housing Fund. Nonprofit property owners may also apply for the Project Based Incentives Program. Finally, nonprofits involved in commercial or industrial activities may apply for rehabilitation and reconstruction assistance under the Grants and Forgivable Loans to Small Business Program. As additional tranches of CDBG-DR funds are provided to New Jersey by HUD, the State will continue to prioritize and address its unmet needs, including needs that may be addressed through nonprofit organizations.

Regarding funding to benefit LMI individuals, the draft Action Plan is designed to conform to HUD LMI requirements. The Action Plan allocations for housing efforts overall reflect that a total of 75.2%, or a total of \$830,068,000 is dedicated to directly benefit LMI households.

Comment # 22

Blight Reduction Program

Commenter recommended the Blight Reduction Pilot Program provide grants in addition to loans, and that Mercer County be added as an impacted county.

Staff Response:

The State is encouraging the development of mixed income approaches under the Blight Reduction Program and believes that these projects will be able to support a zero percent loan. Using a loan model generates program income, which enables additional disaster recovery activities to be implemented in the future.

In respect of Mercer County, HUD, not the State, determined the 'most impacted and distressed' counties to receive at least 80% of this tranche of CDBG-DR funding. The State cannot add counties to that group.

Comment # 23

Economic Development

Commenter asked for clarification of economic development activities and asked how involuntary displacement would be minimized. **Staff Response:**

Eligible uses of economic development funds include costs related to rehabilitation, new construction, equipment, inventory, mitigation, refinancing, flood insurance and working capital. The State will comply with the applicable components of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) in minimizing displacement caused by federally assisted activities. Additional details on economic development activities and how involuntary displacement will be minimized through the administration of the proposed programs will be developed further once the draft Action Plan is approved by HUD.

Comment # 24

Capacity to Administer Programs

Commenter expressed concerns that the State does not have the capacity to administer the volume of grants in the proposed grant and loan programs. Another commenter further recommended master contracts for environmental review and that the State Historic Preservation Office be provided additional capacity.

Staff Response:

The State will procure vendors and supplemental staff as necessary to assist in administering grant and loan programs identified in the draft Action Plan. This will supplement the existing capabilities and capacities currently within the State agencies to administer program funds. In response, the State has provided further clarification in Section 6.6.1 describing the staffing and role of the Sandy Recovery Unit and the additional steps supported by New Jersey Executive Order No. 125 to ensure accountability and compliance.

Comment # 25

Programmatic Suggestions and Concerns

Commenter expressed concerns with lack of specificity for targeted areas, fund distribution, and inadequacy of funding amounts. Commenter suggested DCA consider re-allocating \$16.5 million of the CDBG-DR funds from the planning, oversight and monitoring line item to create a mortgage guarantee program and other reallocation of funding. Commenter further advocated increasing the set-aside for public and subsidized housing. Commenter asked that loan terms be clarified.

Staff Response:

The draft Action Plan was developed after detailed analysis of the State's unmet needs, with considerable stakeholder input, and in compliance with HUD regulations governing targeted regions. Accordingly, the State is working diligently with federal government partners to expedite the release of additional CDBG-DR funds to satisfy unmet needs. After HUD approves the draft Action Plan, policies will be developed clarifying how each program will be implemented.

Comment #26**HUD Technical Requirements**

Commenter questioned whether the State satisfied HUD requirements when assessing unmet need. Commenter also supported long-term resiliency and sustainability principals.

Staff Response:

The State has complied with HUD requirements in the preparation and submission of the draft Action Plan. The State's unmet needs assessment was conducted using FEMA data as well as other available data that informed the extent of Superstorm Sandy's impact on New Jersey. The State stayed in close contact with HUD and other federal partners when preparing its draft Action Plan.

The State is committed to long-term safety and sustainability of its communities and infrastructure, and continues to develop, assess and implement mitigation and resiliency strategies. The State will continue to assess data as it becomes available. As reflected in the Action Plan revisions submitted to HUD for final approval, the State updated its unmet needs assessment based on an analysis of recently released FEMA Individual Assistance data. The State is committed to ongoing data assessment and will review outstanding unmet needs for anticipated additional funding from HUD.

Comment #27**Affordable Housing**

Commenter expressed concern about the recovery needs of working families and individuals with limited income or assets. Commenter also requested the State work with United Way and the Continuums of Care to assist in addressing housing gaps as well as other housing needs.

Staff Response:

The State recognizes that Superstorm Sandy had a devastating effect on households with limited means. The State has targeted 70% of the \$600,000,000 allocated to the proposed RREM program to assist eligible low and moderate income New Jerseyans reconstruct, rehabilitate, elevate and/or mitigate their storm-damaged homes. The State also proposes a Resettlement program to incentivize households under short-term pressure to sell their homes to remain part of the fabric of their communities. Additionally, the State has proposed a program to pave a path to homeownership for low income households. Of the total funding allocated to housing programs in this first tranche of CDBG-DR funds, 75.2%, or \$830,068,000, is dedicated to directly benefit LMI households. The State further has allocated CDBG-DR funds to provide health and social services to populations in need of those services as a result of the storm, which likely will include many low and moderate income individuals.

Moreover, the State is committed to working with nonprofit partners and other voluntary organizations active in disaster to leverage their capabilities to further the recovery, in the housing sector and in all other sectors where those organizations can assist New Jerseyans. The Action Plan establishes a specific program for special needs housing, which includes participation of nonprofit developers.

Comment #28**Public Housing**

Commenter urged that more monies be allotted for public housing, and stated that the Jersey City Housing Authority estimates that it needs \$3,000,000 for immediate repairs. Commenter acknowledged need for Immediate Needs Housing funds, but is concerned that the allocation is not sufficient to meet the need.

Commenter recommended that Public Housing Authorities (PHAs) be designated as providers of administrative services within the programs outlined in the draft Action Plan and that PHAs be given preference in applying for Special Needs Housing funds. Commenter expressed concern about the timeline of the current Low Income Housing Tax Credit Program and recommends an alternative timeline.

Staff Response:

The State continues to work on assessing needs in its housing sector, including the needs of housing authorities. The State has distributed a damages and needs assessment to the 80 PHAs in New Jersey and continues to analyze information received in response. Several PHAs reported needs related to elevation and mitigation, and the State is taking steps to assist PHAs in addressing those reported needs. The State considered relevant available data in making funding determinations across programs using this first tranche of CDBG-DR funds. As additional CDBG-DR funds are provided by HUD to New Jersey to assist in the recovery, the State will continue to assess its unmet needs and prioritize its needs as it provides additional funding to proposed programs or proposes new programs.

Preferences, if any, in applying for the CDBG-DR funds will be addressed programmatically, assuming HUD approves the State's draft Action Plan.

Comment #29

Buy Outs, Sea Level Rise and Climate Change Issues

Commenter urged programs and mapping to address sea level rise, climate change, and adaptation and mitigation strategies, as well as buyouts for some property owners. Commenter also requested details for rebuilding infrastructure and suggested stronger standards be implemented for building in flood hazard areas. Commenter further emphasized regional planning and coordination between municipalities.

Staff Response:

The draft Action Plan provides that, where appropriate and applicable, mitigation measures and floodplain management will be incorporated into proposed programs. The draft Action Plan also emphasizes the use of green building and energy efficiency designs in repairs and reconstruction.

Moreover, in the draft Action Plan, the State identified buyouts of flood-prone properties among its housing needs. While the State did not provide for buyouts using this first tranche of CDBG-DR funds, opting instead to focus in the short-term on rebuilding damaged homes and small businesses, the State is actively pursuing funding to implement a buyout program.

Additionally, the draft Action Plan allocates monies for planning activities to better ensure communities are rebuilt in a resilient and sustainable manner, including conformance, where applicable, with the latest FEMA ABFE guidelines that utilize the most current science and data to assess the threat of flood to communities across the state. The State is continuing to press for finalization of the ABFE map process, while having adopted the current, aggressive standards as the State's current standard to ensure safety and long-term insurance affordability for those looking to rebuild immediately.

Comment #30

Timeline Clarification and County Level Planning Activities

Commenter requested clarification of the two-year timeline for spending CDBG-DR funds. Commenter also supported coordinated planning activities at the county level and requested coordination with ongoing CDBG projects to avoid duplication of benefits. Commenter further stated that Monmouth County is an 'exception Criteria' county and recommended using Block Group Level data to determine eligibility.

Staff Response:

CDBG-DR funds must be spent within two years of the State's receiving the funds from HUD unless HUD provides an extension.

The State will coordinate with federal partners and other entities, and will incorporate procedures to avoid duplication of benefits.

The State is aware of the exception criteria for Monmouth County and will consider the best way for those to be applied, where applicable. The State will consider the block group level census data when determining eligibility of a project if that level encompasses the service area receiving benefits.

Comment #31

Availability of Spanish Translated Version of Draft Action Plan

Some commenters claimed that the State did not provide a Spanish translated version of the draft Action Plan.

Staff Response:

The draft Action Plan is posted in Spanish on DCA's website in accordance with federal regulations (<http://www.state.nj.us/dca/announcements/pdf/NewJerseyActionPlan-EnEspanol.pdf>). Records from New Jersey's Office of Information Technology confirm that the Plan was posted on March 12, 2013. The State received one comment submitted in Spanish in response to the Spanish language version of the CDBG Action Plan. It also is noteworthy that while the Governor's Office of Constituent Relations received a number of phone calls regarding the CDBG Action Plan during the comment period, there were no complaints from constituents that the Spanish language version of the CDBG Action Plan was inaccessible.

Comment #32

Marinas and Marine Industry

A number of commenters urged financial assistance in the form of grants or low interest loans for marinas and other marine industries based on damages caused by the storm. Commenters further requested that industry-specific consideration be given to recreational marine businesses.

Staff Response:

Aquaculture, marinas and other marine-related businesses are important to many local economies, particularly on the Jersey shore, as well as to the State economy. These businesses are eligible to receive assistance through small business programs proposed in the draft Action Plan provided they satisfy eligibility criteria.

Comment # 33

SNHTF Funding

Commenter urged that the State renew the Special Needs Housing Trust Fund.

Staff Response:

A direct allocation of CDBG-DR funds will be made to the New Jersey Housing and Mortgage Finance Agency to operate a fund dedicated to the construction of permanent supportive housing across New Jersey for special needs populations. This program is similar to the New Jersey Special Needs Housing Trust Fund.

Comment #34**Gap Financing for Low Income Housing Tax Credit Deals**

Commenter requested that CDBG-DR funds be awarded as gap financing immediately to 4% Low Income Housing Tax Credit deals as they come into the New Jersey Home Mortgage and Finance Agency pipeline. Respondent also requested that the State either re-allocate a portion of the \$70,000,000 allocated to the Small Rental Properties program immediately to the large multi-family program or provide sufficient flexibility to do so in the near future.

Staff Response:

The State considered relevant available data in making funding determinations across programs using this first tranche of CDBG-DR funds. As additional CDBG-DR funds are provided by HUD to New Jersey to assist in the recovery, the State will continue to assess its unmet needs and prioritize its needs as it provides additional funding to proposed programs or proposes new programs.

The timing of fund distribution will be addressed programmatically. While the State recognizes the importance of expediency, it also understands that procedures must be in place to prevent waste, fraud and abuse. The State will work to streamline programs to reduce red tape, while also providing for robust protections against waste, fraud and abuse.

Comment #35**Allocation**

Commenter urged that more money be allocated to the Resettlement Program, or that money be allocated to buyouts if the cost to rebuild is too high. Commenter stated the tourism advertising campaign funding could be better used getting people into their homes. Commenter recommended that approximately 10% to 15% of the grants and loans described under Section 4.3.1 and Section 4.3.2 of the draft Action Plan be set-aside for manufacturing businesses impacted by Sandy.

Staff Response:

The State considered relevant available data in making funding determinations across programs using this first tranche of CDBG-DR funds. As additional CDBG-DR funds are provided by HUD to New Jersey to assist in the recovery, the State will continue to assess its unmet needs and prioritize its needs as it provides additional financing to proposed programs or proposes new programs.

In the draft Action Plan, the State identified buyouts of flood-prone properties among its housing needs. While the State did not provide for buyouts using this first tranche of CDBG-DR funds, opting instead to focus in the short-term on rebuilding damaged homes and businesses, the State is actively pursuing funding to implement a buyout program.

Regarding using CDBG-DR funds for tourism marketing, as described in the draft Action Plan, the tourism industry is vital to the State and to many municipalities most heavily affected by Superstorm Sandy. Ensuring that tourists know that much of the Jersey Shore is, or will be, open for business in 2013 is critical to combating the misperception that the entire New Jersey shore was decimated by the storm. The misperception threatens to drive away needed tourism dollars and, potentially, jobs, many of which benefit LMI individuals, from shore communities in 2013 and beyond, preventing them from realizing an effective recovery.

Comment #36**Eligibility**

Commenter recommended limiting eligibility for the RREM program to households with income up to 150% of Area Median Income.

Staff Response:

The State is committed to helping middleclass homeowners reconstruct, rehabilitate, elevate and mitigate their storm-damaged homes. By using adjusted gross income under \$250,000 as an eligibility benchmark - as opposed to a lower figure like 150% of Area Median Income- the State sought to ensure that middle class New Jerseyans would not be means-tested out of the RREM program.

Comment #37

LMI

Commenter asked the income level needed to qualify under the "moderate" income category.

Staff Response:

The meaning of 'low and moderate income' varies depending on the location of the household. Data describing income limits by county for New Jersey can be found at the following interactive website maintained by HUD:http://www.huduser.org/portal/datasets/il/il2013/select_Geography.odn

Comment #38

Federal Register Requirements

Commenter noted that the draft Action Plan did not abide by the requirements of the United States Department of Housing and Urban Development recent Notice entitled Allocations, Common Application, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy.

Staff Response:

The Department is committed to enforcing Federal and State fair housing and civil right laws. Information developed during the preparation and continued implementation of the Action Plan will help inform the Department's preparation of the Consolidated Plan due in 2015 per the Federal Notice and other housing planning efforts.

Comment #39

Minority Contractor Inclusion

Commenter urged efforts to retain minority contractors in the rebuilding and recovery effort and to prioritize health and social services.

Staff Response:

Procurements using CDBG-DR funds must comply with 24 CFR Part 85.36 (e), which references contracting with small and minority firms, women's business enterprises and labor surplus area firms. The State also will ensure that hiring goals of individuals and firms comply with Section 3 of the Housing and Urban Development Act of 1968.

With respect to health and social services programs, as described in the draft Action Plan, the State has allocated \$50,000,000 from this first tranche of CDBG-DR funds to supportive services programs. Other federal funding sources, once made available, also will be used to provide health and social services to New Jerseyans needing them.

Comment #40**RREM Program Priorities**

Commenter suggested that the RREM program not prioritize first primary residents whose homes were 'substantially damaged' as determined by a municipal floodplain manager.

Staff Response:

The State has sought to expend its limited CDBG-DR resources reasonably and responsibly, prioritizing first primary residents whose homes were destroyed outright or that sustained the greatest level of damage as a result of the storm. Moreover, only this group of homeowners is required to rebuild to the elevation and building standards required by FEMA's ABFEs.

Comment #41**Manufactured Housing**

Commenter urged that criteria be developed to include ENERGY STAR™ certified manufactured housing as a long-term recovery solution.

Staff Response

Specific policies for reconstruction are being developed and will be posted to DCA's website once completed.

Comment #42**Planning Assistance for Municipalities**

Commenter expressed concern that the draft Action Plan does not include funding for resiliency and planning studies at the local or regional level. Commenter noted that grants from the State would offer municipalities a chance to conduct engineering studies and coordinate with the U.S. Army Corps of Engineers, fast tracking plans to protect Hoboken and other cities.

Staff Response:

The State recognizes the importance of resiliency and planning studies in rebuilding sustainable communities. The draft Action Plan allocates \$85,000,000 for 'Planning, Oversight, and Monitoring.' The planning component will include grant assistance on a local and regional basis as appropriate to guide the long-term recovery and shape redevelopment activities. While the State has described some requirements in the draft Action Plan, including that any new planning efforts be coordinated within the framework of the New Jersey Statewide Hazard Plan, additional requirements will be addressed programmatically. The State also will work with the State Steering Committee on statewide planning efforts as this initiative is refined.

The State plans to pursue resiliency studies using other resources to ensure that the State is rebuilt in a more sustainable way. These studies will include the evaluation of urban centers like Hoboken. Moreover, the State continues to coordinate with the Army Corps of Engineers to address repetitive flood areas.

Comment #43**Program Design**

Commenters encouraged the use of a buyout program to discourage rebuilding in flood-prone areas. A buyout option also was suggested for first floor condominium owners whose units have been devalued due to higher insurance premiums or changes in flood map designations.

Staff Response:

In the draft Action Plan, the State identified buyouts of flood-prone properties among its housing needs. While the State did not provide for buyouts using this first tranche of CDBG-DR funds, opting instead to focus on rebuilding damaged homes and businesses, the State is actively pursuing funding to implement a buyout program.

Whether first floor condominium owners whose units have been devalued due to higher insurance premiums or changes in flood maps may be eligible for forthcoming buyout programs will be addressed programmatically when those programs are developed.

Comment #44

State Budget Process/Congressional Intent

A number of commenters urged the State to fund some projects through the State budget process and not through CDBG-DR funds. Commenters made detailed remarks on congressional intent for the CDBG-DR program, allocation, funding levels, available statistics, and objections to certain programs and aspects of programs.

Staff Response:

The State continues to consider all potential funding sources -- federal, state, nonprofit, and other sources -- as part of its holistic approach to a thoughtful and responsible recovery that efficiently, effectively and expediently gets resources to those in need of them.

The State considered relevant available data in developing its proposed programs and making funding determinations across those programs using this first tranche of CDBG-DR funds. As additional CDBG-DR funds are provided by HUD to New Jersey to assist in the recovery, the State will continue to assess its unmet needs and prioritize its needs as it provides additional funding to proposed programs or proposes new programs.

Comment # 45

Hotel and Low Income Populations

Commenter requested that more funding be shifted to people staying in hotels and low income populations.

Staff Response:

The State continues to address rebuilding and recovery holistically, seeking to use its limited resources to address the State's many unmet needs in a thoughtful and responsible way. The State considered relevant available data in making funding allocations across programs using this first tranche of CDBG-DR funds. In doing so, the State allocated significant monies to programs that assist households and individuals of limited means.

As additional CDBG-DR funds are provided by HUD to New Jersey to assist in the recovery, the State will continue to assess its unmet needs and prioritize its needs as it provides additional funding to proposed programs or proposes new programs to help affected New Jerseyans.

Comment #46

Rent Price Gouging

Commenter believed that some landlords may be price gouging.

Staff Response:

The State requests specific information about 'rent gouging' and will forward all known instances of abuse to the New Jersey Attorney General for prosecution.

Comment #47

Ground Floor Apartment Damage

Commenter noted that many brownstone garden style basement apartments were damaged.

Staff Response:

The State is aware that Superstorm Sandy damaged brownstone garden style basement apartments. The proposed Small Rental Program will provide zero interest forgivable loans to eligible existing and new owners of rental properties with 25 or less units that require significant rehabilitation because of storm damage. Brownstone garden style basement apartments used as full-time rentals that satisfy all other eligibility requirements can receive funding through this program.

New Jersey Department of Community Affairs

GRANTEE CERTIFICATIONS

- a. The grantee certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within its jurisdiction and take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard (see 24 CFR 570.487(b)(2) and 570.501(a)(2)). In addition, the grantee certifies that agreements with subrecipients will meet all civil rights related requirements pursuant to 24 CFR 570.503(b)(5).
- b. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- c. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.
- d. The grantee certifies that the Action Plan for Disaster Recovery is authorized under State and local law (as applicable) and that the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG-DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.
- e. The grantee certifies that activities to be administered with funds under this Notice are consistent with its Action Plan.
- f. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR

part 24, except where waivers or alternative requirements are provided for in this Notice.

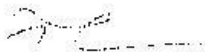
- g. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701a), and implementing regulations at 24 CFR part 135.
- h. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 or 91.115, as applicable (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each UGLG receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- i. Each State receiving a direct award under this Notice certifies that it has consulted with affected UGLGs in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the State in determining the uses of funds, including method of distribution of funding, or activities carried out directly by the State.
- j. The grantee certifies that it is complying with each of the following criteria:
 - (1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in the aftermath of Hurricane Sandy, pursuant to the Stafford Act.

- (2) With respect to activities expected to be assisted with CDBG-DR funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.
- (3) The aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the grant amount is expended for activities that benefit such persons.
- (4) The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).
- k. The grantee certifies that it (and any subrecipient or recipient) will conduct and carry out the grant in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601- 3619) and implementing regulations.
- l. The grantee certifies that it has adopted and is enforcing the following policies. In addition, States receiving a direct award must certify that they will require

UGLGs that receive grant funds to certify that they have adopted and are enforcing:

- (1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
 - (2) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
- m. Each State or UGLG receiving a direct award under this Notice certifies that it (and any subrecipient or recipient) has the capacity to carry out disaster recovery activities in a timely manner; or the State or UGLG will develop a plan to increase capacity where such capacity is lacking.
- n. The grantee will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.
- o. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
- p. The grantee certifies that it will comply with applicable laws.
- q. The grantee certifies that it has reviewed the requirements of this Notice and

requirements of Public Law 113-2 applicable to funds allocated by this Notice, and that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud and abuse of funds.



Signature of Authorized Official

3-27-13

Date

Richard E. Constable III, Commissioner
Department of Community Affairs

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission	*2. Type of Application	*If Revision, select appropriate letter(s):
<input type="checkbox"/> Preapplication	<input checked="" type="checkbox"/> New	
<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Continuation	* Other (Specify)
<input type="checkbox"/> Changed/Corrected Application	<input type="checkbox"/> Revision	
*3. Date Received:	4. Application Identifier:	
5a. Federal Entry Identifier:		*5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State:		7. State Application Identifier:
8. APPLICANT INFORMATION:		
* a. Legal Name: STATE OF NEW JERSEY		
* b. Employer/Taxpayer Identification Number (EIN/TIN):		*c. Organizational DUNS:
21-6000928		806417143
d. Address:		
*Street 1: 101 S BROAD ST		
Street 2: P.O. BOX 800		
*City: TRENTON		
County: MERCER		
*State: NEW JERSEY		
Province:		
Country: USA		*Zip/ Postal Code: 08625-0800
c. Organizational Unit:		
Department Name:		Division Name:
DEPARTMENT OF COMMUNITY AFFAIRS		
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Mr.		First Name: Richard
Middle Name: E.		
*Last Name: Constable		
Suffix: III		
Title: Commissioner, N.J. Department of Community Affairs		
Organizational Affiliation:		
*Telephone Number: 609-292-5420		Fax Number: 609-584-6696
*Email: Richard.Constable@dca.state.nj.us		

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type: **A. State Government**

Type of Applicant 2: Select Applicant Type:
- Select One -

Type of Applicant 3: Select Applicant Type:
- Select One -

*Other (specify):

*10. Name of Federal Agency:
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

11. Catalog of Federal Domestic Assistance Number:
14.228
CFDA Title:
COMMUNITY DEVELOPMENT BLOCK GRANTS/ STATE'S PROGRAM

*12. Funding Opportunity Number:
*Title:
Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy

13. Competition Identification Number:
NA
Title:
NA

14. Areas Affected by Project (Cities, Counties, States, etc.):
NEW JERSEY - STATEWIDE

*15. Descriptive Title of Applicant's Project:
New Jersey Community Development Block Grant-Disaster Recovery Program, to assist the nine most impacted counties that were affected by Superstorm Sandy. At least 80% of the disaster recovery funds will be dedicated to the nine most affected counties: Atlantic, Bergen, Essex, Hudson, Middlesex, Monmouth, Union, Ocean, and Cape May. The Action Plan provides more in depth details of the program.
Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of: **Congressional Districts 1- 12**

*a. Applicant: **State of New Jersey** *b. Program/Project: **CDBG-DR Hurricane Sandy**

Attach an additional list of Program/Project Congressional Districts if needed.
NA

17. Proposed Project: **New Jersey Community Development Block Grant-Disaster Recovery Program**

*a. Start Date: **10/29/2012** *b. End Date: **4/20/2015**

18. Estimated Funding (\$):

*a. Federal	\$372,680,808.00	
*b. Applicant	\$1,893,356,271.00	
*c. State	\$180,000,000.00	These figures are estimates
*d. Local	\$2,735,566.00	
*e. Other		
*f. Program Income	\$2,000,000.00	
*g. TOTAL	\$2,250,772,645.00	

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review or
 b. Program is subject to E.O. 12372 but has not been selected by the State for review.
 c. Program is not covered by E.O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

**I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: **Mr.** *First Name: **Richard**

Middle Name: **F**

*Last Name: **Constable**

Suffix: **III**

*Title: **Commissioner, N.J. Department of Community Affairs**

*Telephone Number: **609-292-6420** Fax Number: **609-984-6696**

*Email: **Richard.Constable@dca.state.nj.us**

*Signature of Authorized Representative: *[Handwritten Signature]* Date Signed: **3-23-13**

Application for Federal Assistance SF-424

Version 02

***Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

APPENDIX A: ALLOCATION AND METHOD OF DISTRIBUTION

METHOD OF DISTRIBUTION							
Category (Action Plan Section No.)	Allocation Level		Program (Action Plan Section No.)	Allocation Level	Estimated LMI Benefit	Maximum Housing Award	Estimated Unit Benefit
	Total Amount	Estimated LMI Amount					
Homeowner Housing (4.1)	\$825,000,000	\$565,000,000	Reconstruction, Rehabilitation, Elevation and Mitigation Program (4.1.1)	\$600,000,000	70%	\$150,000	6,000
			Housing Resettlement Program (4.1.2)	\$200,000,000	60%	\$10,000	20,000
			Sandy Home Buyer Assistance Program* (4.1.3)	\$25,000,000	100%	\$50,000	500
Total	\$825,000,000	\$565,000,000		\$825,000,000			
Rental Housing (4.2)	\$254,520,000	\$240,068,000	Fund for Large Multi-Family (4.2.1)	\$104,520,000	90%	\$120,000	1,000
			Small Rental Properties (4.2.2)	\$70,000,000	100%	\$50,000	1,750
			Pre-development Fund (4.2.3.1)	\$10,000,000	90%	\$500,000	1,000
			Blight Reduction Pilot Program (4.2.3.2)	\$30,000,000	90%	\$100,000	300
			Incentives for Landlords (4.2.4.1)	\$40,000,000	100%	\$50,000	1,000
Total	\$254,520,000	\$240,068,000		\$254,520,000			
Economic Revitalization (4.3)	\$500,000,000	\$75,000,000	Grants/Forgivable Loans to Small Businesses (4.3.1)	\$300,000,000	15%		
			Direct Loans for Small Businesses (4.3.2)	\$100,000,000			
			Neighborhood and Community Revitalization (4.3.3)	\$75,000,000			
			Tourism Marketing (4.3.4)	\$25,000,000			
Total	\$500,000,000	\$75,000,000		\$500,000,000			
Support for Governmental Entities (4.4)	\$116,000,000	\$29,000,000	FEMA Match Program (4.4.1)	\$50,000,000	25%		
			Continuation and Enhancement of Essential Public Services (4.4.2)	\$60,000,000	25%		
			Code Enforcement (4.4.3)	\$6,000,000	25%		
Total	\$116,000,000	\$29,000,000		\$116,000,000			
Supportive Services Programs (4.5)	\$50,000,000	\$50,000,000	Sandy Special Needs Housing Fund** (4.5.1)	\$25,000,000	100%	\$100,000	250
			Supportive Services Program (4.5.2)	\$25,000,000	100%		
Total	\$50,000,000	\$50,000,000		\$50,000,000			
Planning, Oversight and Monitoring (4.6)	\$84,000,000	N/A	Administrative/Planning	\$84,000,000	N/A		
Total		\$959,068,000 (Estimated)	Total	\$1,829,520,000	54.9%		

*Program provides assistance to renters seeking homeownership

**Program provides additional rental units for special needs households

Percentage of Funds to Impacted and Distressed Counties				
Category	Program	Allocation	Portion of Allocation Benefiting Most Impacted and Distressed Counties	Percentage to Benefit Most Impacted and Distressed Counties
Homeowner Housing (4.1)	Reconstruction, Rehabilitation, Elevation and Mitigation Program (4.1.1)	\$600,000,000	\$600,000,000	100%
	Housing Resettlement Program (4.1.2)	\$200,000,000	\$200,000,000	100%
	Sandy Home Buyer Assistance Program (4.1.3)	\$25,000,000	\$24,500,000	98%
Rental Housing (4.2)	Fund for Large Multi-Family (4.2.1)	\$104,520,000	\$73,164,000	70%
	Small Rental Properties (4.2.2)	\$70,000,000	\$49,000,000	70%
	Pre-development Fund (4.2.3.1)	\$10,000,000	\$8,000,000	80%
	Blight Reduction Pilot Program (4.2.3.2)	\$30,000,000	\$24,000,000	80%
	Incentives for Landlords (4.2.4.1)	\$40,000,000	\$30,000,000	75%
Economic Revitalization (4.3)	Grants/Forgivable Loans to Small Businesses (4.3.1)	\$300,000,000	\$225,000,000	75%
	Direct Loans for Small Businesses (4.3.2)	\$100,000,000	\$75,000,000	75%
	Neighborhood and Community Revitalization Program (4.3.3)	\$75,000,000	\$56,250,000	75%
	Tourism Marketing (4.3.4)	\$25,000,000	\$18,750,000	75%
Support for Governmental Entities (4.4)	FEMA Match Program (4.4.1)	\$50,000,000	\$40,000,000	80%
	Continuation and Enhancement of Essential Public Services (4.4.2)	\$60,000,000	\$57,000,000	95%
	Code Enforcement (4.4.3)	\$6,000,000	\$5,400,000	90%
Supportive Services (4.5)	Sandy Special Needs Housing Fund (4.5.1)	\$25,000,000	\$18,750,000	75%
	Supportive Services Programs (4.5.2)	\$25,000,000	\$22,500,000	90%
Planning, Oversight and Monitoring (4.6)	Planning, Oversight and Monitoring	\$84,000,000	N/A	N/A
Total	Total	\$1,829,520,000	\$1,527,314,000	83.5%

APPENDIX B: MAP SERIES ILLUSTRATING LOW AND MODERATE INCOME CENSUS TRACTS (OVERLAID WITH STORM DAMAGE BY COUNTY)

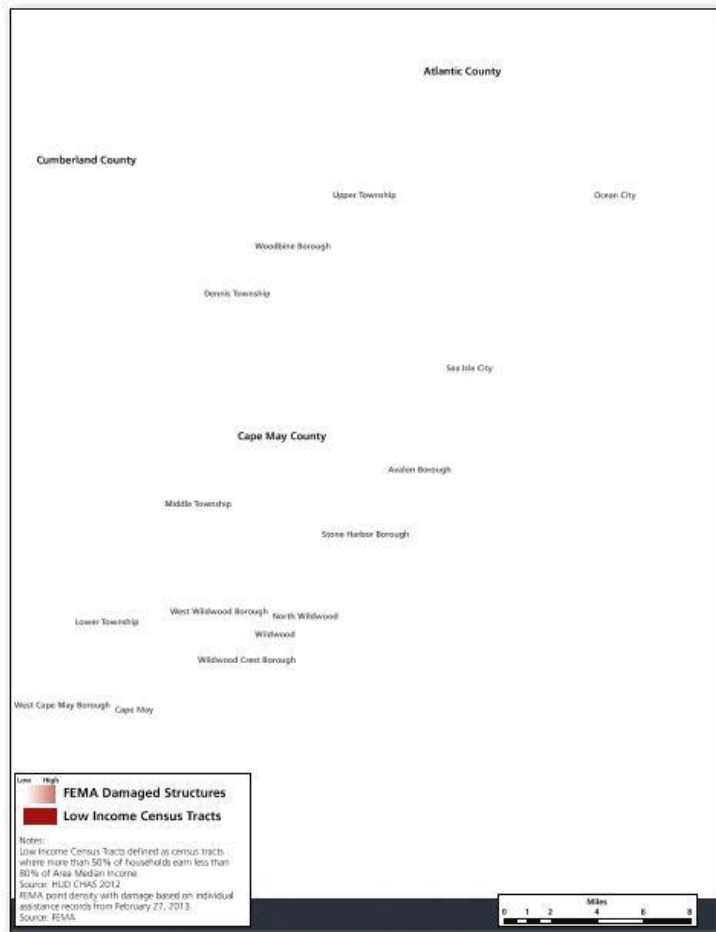
Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Atlantic County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Bergen County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Cape May County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Essex County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Hudson County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Middlesex County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Monmouth County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Ocean County



Map Series - Low and Moderate Income Census Tracts and Storm Damage by County - Union County



ix

Neighborhood Profiles by Census Tract

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households	
9 AFFECTED COUNTIES			1,926,226	2,196,606	\$69,446	7%	5%	7%	14%	8%	0%	61%	16%	
ATLANTIC COUNTY			9%	102,573	127,514	\$55,222	8%	12%	7%	15%	6%	0%	67%	12%
CENSUS TRACTS WITH DAMAGED HOMES														
Borough of Longport	34001019500	16%	1,069	2,289	\$103,558	5%	46%	12%	0%	0%	0%	99%	0%	
City of Absecon	34001011702	2%	1,199	1,388	\$44,485	7%	0%	10%	32%	9%	0%	46%	10%	
City of Absecon	34001010900	1%	1,033	1,060	\$54,728	2%	0%	8%	19%	19%	2%	52%	7%	
City of Absecon	34001010200	1%	2,171	2,340	\$75,104	7%	0%	10%	5%	2%	0%	80%	4%	
City of Atlantic City	34001001300	41%	804	1,009	\$38,804	17%	3%	12%	72%	2%	0%	15%	3%	
City of Atlantic City	34001000900	38%	1,036	1,216	\$27,890	11%	3%	6%	9%	32%	2%	28%	31%	
City of Atlantic City	34001000100	16%	909	1,025	\$36,767	7%	5%	8%	22%	3%	1%	46%	30%	
City of Atlantic City	34001000300	28%	1,380	1,804	\$35,525	21%	5%	14%	5%	29%	1%	32%	38%	
City of Atlantic City	34001001200	24%	1,195	1,513	\$35,867	16%	5%	13%	82%	4%	0%	0%	13%	
City of Atlantic City	34001000200	24%	1,480	2,118	\$43,235	10%	20%	20%	5%	21%	0%	64%	10%	
City of Atlantic City	34001002300	20%	774	1,332	\$30,407	27%	5%	6%	6%	48%	1%	17%	33%	
City of Atlantic City	34001001400	17%	1,517	1,848	\$26,250	14%	3%	13%	72%	1%	3%	11%	16%	
City of Atlantic City	34001001000	15%	1,628	1,791	\$36,571	6%	3%	10%	41%	0%	0%	29%	12%	
City of Atlantic City	34001002500	12%	1,869	2,559	\$26,988	25%	2%	10%	59%	5%	0%	27%	9%	
City of Atlantic City	34001001100	10%	1,184	1,399	\$20,129	1%	0%	28%	82%	2%	0%	9%	5%	
City of Atlantic City	34001000500	9%	681	844	\$14,246	19%	0%	31%	61%	7%	1%	15%	12%	
City of Atlantic City	34001003400	4%	1,203	1,686	\$18,358	22%	7%	24%	33%	10%	0%	43%	13%	
City of Atlantic City	34001001900	4%	795	1,061	\$26,724	19%	6%	13%	60%	5%	2%	22%	11%	
City of Atlantic City	34001000400	2%	1,465	2,644	\$30,938	14%	30%	8%	14%	11%	0%	49%	21%	
City of Brigantine	34001010101	5%	1,340	2,767	\$81,491	6%	41%	4%	0%	1%	0%	15%	1%	
City of Brigantine	34001010102	19%	921	2,099	\$55,880	3%	54%	13%	1%	5%	0%	90%	2%	
City of Brigantine	34001010104	7%	892	2,029	\$61,705	4%	52%	12%	0%	4%	0%	93%	3%	
City of Brigantine	34001010109	5%	1,223	2,283	\$61,534	3%	48%	5%	8%	14%	0%	67%	16%	
City of Brigantine	34001010501	1%	2,964	3,240	\$65,000	5%	4%	12%	3%	3%	0%	90%	4%	
City of Carlin City	34001011600	2%	1,908	2,086	\$60,347	4%	5%	12%	1%	0%	1%	92%	5%	
City of Estel Manor	34009010400	1%	1,155	1,169	\$85,609	0%	1%	3%	0%	0%	0%	100%	0%	
City of Linwood	34001012502	4%	618	656	\$71,923	6%	0%	21%	0%	1%	0%	94%	0%	
City of Linwood	34001012602	1%	492	544	\$124,375	8%	2%	6%	0%	0%	0%	95%	2%	
City of Linwood	34001011803	1%	1,912	2,284	\$53,621	9%	7%	7%	8%	3%	0%	70%	12%	
City of Margate City	34001011902	27%	753	2,857	\$57,650	11%	63%	22%	2%	0%	0%	95%	3%	
City of Margate City	34001013101	22%	665	1,175	\$74,028	5%	38%	13%	0%	3%	0%	97%	0%	
City of Margate City	34001011000	16%	1,755	3,069	\$84,226	1%	42%	19%	1%	1%	0%	94%	4%	
City of Northfield	34001012401	1%	1,081	1,180	\$65,438	7%	2%	20%	1%	3%	0%	94%	1%	
City of Pleasantville	34001012200	12%	821	1,040	\$49,653	19%	7%	5%	32%	2%	0%	29%	34%	
City of Pleasantville	34001012200	1%	1,671	1,894	\$41,518	11%	1%	5%	58%	4%	1%	14%	20%	
City of Pleasantville	34001011900	1%	2,830	3,130	\$38,131	9%	0%	14%	52%	2%	0%	19%	28%	
City of Somers Point	34001012802	2%	895	1,221	\$69,787	10%	16%	18%	4%	0%	0%	96%	4%	
City of Somers Point	34001012801	1%	1,764	2,033	\$38,918	7%	6%	13%	20%	1%	0%	71%	8%	
City of Ventnor City	34001013203	14%	962	1,416	\$42,500	10%	22%	13%	6%	3%	0%	80%	11%	
City of Ventnor City	34001013302	13%	1,386	1,958	\$48,750	9%	20%	15%	1%	0%	0%	81%	15%	
City of Ventnor City	34001011201	10%	999	2,087	\$54,286	9%	43%	10%	1%	4%	0%	74%	18%	
City of Ventnor City	34001013301	10%	1,200	2,224	\$66,917	11%	35%	14%	0%	0%	0%	96%	3%	
Township of Egg Harbor	34001011805	3%	818	851	\$79,750	4%	0%	4%	3%	0%	3%	94%	0%	
Township of Egg Harbor	34001011804	3%	2,383	2,634	\$75,861	5%	5%	4%	5%	5%	0%	87%	6%	
Township of Egg Harbor	34001011802	1%	4,025	5,313	\$84,279	6%	1%	5%	7%	10%	1%	74%	8%	
Township of Egg Harbor	34001011701	1%	3,066	3,351	\$73,204	8%	0%	9%	12%	12%	0%	53%	19%	
Township of Galloway	34001010505	1%	783	1,051	\$95,325	20%	5%	1%	2%	3%	0%	82%	13%	
Township of Galloway	34001010403	1%	1,790	1,798	\$75,038	0%	0%	8%	9%	22%	0%	58%	11%	
Township of Hamilton	34001010700	3%	1,991	2,163	\$51,422	6%	2%	9%	6%	1%	0%	77%	16%	
Township of Hamilton	34001011401	1%	1,532	1,595	\$73,194	3%	1%	9%	0%	1%	2%	92%	4%	
Township of Hamilton	34001011500	1%	2,216	2,307	\$59,227	4%	0%	3%	17%	2%	0%	72%	6%	
Township of Hamilton	34001011404	1%	3,241	3,522	\$55,114	6%	2%	10%	7%	8%	0%	79%	6%	
BERGEN COUNTY			1%	346,802	366,843	\$83,443	5%	0%	7%	6%	12%	0%	67%	14%
CENSUS TRACTS WITH DAMAGED HOMES														
Borough of Bogota	34003023602	2%	1,484	1,613	\$45,595	8%	0%	12%	21%	3%	0%	28%	47%	
Borough of East Rutherford	34003012002	2%	1,420	1,582	\$67,426	11%	0%	14%	0%	15%	0%	77%	6%	
Borough of Edgewater	34003013002	2%	2,556	2,811	\$94,038	9%	0%	7%	4%	22%	0%	62%	10%	
Borough of Franklin Lakes	34003061300	2%	1,062	1,170	\$207,625	8%	2%	13%	0%	6%	0%	92%	2%	
Borough of Hoboken Heights	34003092300	64%	1,031	1,131	\$36,411	18%	0%	7%	2%	5%	0%	78%	18%	
Borough of Hilldale	34003050100	1%	2,248	2,373	\$74,082	5%	0%	17%	4%	5%	0%	80%	10%	

Neighborhood Profiles by Census Tract

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households
Borough of Little Ferry	34003029200	14%	2,136	2,549	\$63,953	3%	0%	8%	1%	17%	1%	62%	10%
Borough of Little Ferry	34003029100	10%	1,888	1,942	\$51,796	3%	0%	12%	7%	31%	0%	47%	13%
Borough of Midland Park	34003061400	2%	1,680	1,740	\$146,410	3%	0%	9%	0%	0%	0%	90%	3%
Borough of North Arlington	34003038300	1%	2,225	2,274	\$76,103	2%	0%	14%	3%	5%	0%	78%	15%
Borough of River Edge	34003031100	1%	1,056	1,210	\$46,923	12%	1%	9%	30%	9%	0%	27%	35%
Borough of Rutherford	34003051200	2%	979	1,012	\$113,657	3%	0%	14%	4%	7%	0%	72%	17%
Borough of Wallington	34003057200	1%	1,448	1,496	\$53,030	3%	0%	7%	3%	2%	0%	87%	7%
Borough of Westwood	34003059200	1%	2,311	2,345	\$83,827	1%	0%	18%	1%	4%	0%	91%	3%
Borough of Woodcliff Lake	34003035200	3%	1,874	1,912	\$125,161	2%	0%	9%	1%	5%	0%	86%	6%
Borough of Wood-Ridge	34003060000	2%	2,913	3,065	\$93,486	5%	0%	9%	0%	6%	0%	86%	8%
City of Hackensack	34003036010	7%	1,270	1,351	\$30,932	6%	0%	6%	10%	3%	3%	47%	38%
Township of Lyndhurst	34003031200	5%	1,882	2,013	\$63,900	7%	0%	15%	4%	5%	2%	75%	14%
Township of Lyndhurst	34003031300	2%	1,891	2,112	\$69,825	8%	3%	11%	3%	4%	0%	82%	10%
Township of Teaneck	34003054100	1%	2,441	2,587	\$92,986	6%	0%	10%	5%	6%	0%	24%	13%
Township of Wyckoff	34003061200	2%	1,179	1,235	\$139,375	2%	3%	7%	0%	3%	0%	95%	2%
Township of Wyckoff	34003061100	2%	1,578	1,622	\$154,318	3%	0%	14%	0%	3%	0%	93%	4%
Village of Ridgefield Park	34003046300	3%	1,727	1,827	\$61,042	3%	2%	17%	6%	8%	0%	53%	32%
CAPE MAY COUNTY		5%	45,185	98,926	\$55,315	6%	48%	10%	4%	0%	0%	91%	4%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Avalon	34009020902	6%	1,107	5,354	\$90,417	5%	75%	18%	0%	0%	0%	100%	0%
Borough of Cape May Point	34009021900	1%	1,011	2,007	\$56,893	9%	41%	18%	8%	2%	0%	89%	2%
Borough of Stone Harbor	34009020901	1%	481	3,242	\$64,583	5%	80%	19%	0%	1%	0%	99%	0%
Borough of West Wildwood	34009021400	18%	1,982	5,785	\$27,778	7%	59%	16%	5%	1%	0%	74%	19%
Borough of Wildwood Crest	34009021600	5%	1,765	5,340	\$51,894	3%	64%	12%	0%	0%	1%	93%	5%
Borough of Wildwood Crest	34009021702	1%	1,307	2,863	\$54,345	3%	52%	13%	2%	0%	0%	96%	2%
Borough of Woodbine	34009020500	2%	867	1,147	\$30,927	12%	13%	5%	24%	0%	1%	47%	31%
City of Millville	34011010101	2%	1,552	1,695	\$67,068	6%	2%	10%	4%	0%	0%	93%	2%
City of North Wildwood	34009021300	11%	2,106	8,526	\$47,454	8%	67%	20%	1%	0%	0%	99%	0%
City of North Wildwood	34009021001	2%	796	1,266	\$64,928	5%	32%	9%	7%	0%	0%	86%	7%
City of Ocean City	34009020306	30%	463	2,316	\$71,290	12%	68%	9%	9%	0%	0%	89%	3%
City of Ocean City	34009020101	19%	1,641	4,927	\$54,089	7%	59%	16%	9%	0%	1%	87%	3%
City of Ocean City	34009020102	19%	1,275	3,941	\$65,160	4%	64%	18%	1%	0%	0%	96%	4%
City of Ocean City	34009020205	17%	637	3,189	\$35,542	5%	75%	30%	0%	0%	0%	100%	0%
City of Ocean City	34009020203	15%	1,402	4,351	\$54,414	4%	63%	22%	1%	0%	0%	99%	0%
City of Ocean City	34009020201	10%	719	1,493	\$89,018	12%	40%	19%	0%	0%	0%	100%	0%
City of Ocean City	34009020302	1%	2,028	2,578	\$78,710	1%	20%	12%	0%	1%	0%	98%	1%
City of Sea Isle City	34009020800	4%	1,106	6,613	\$54,419	5%	78%	10%	0%	0%	0%	94%	3%
City of Wildwood	34009021500	9%	1,123	2,542	\$43,245	10%	46%	9%	21%	0%	0%	71%	6%
Township of Dennis	34009020600	1%	701	789	\$74,583	11%	0%	10%	0%	0%	0%	98%	0%
Township of Lower	34009021803	1%	1,818	2,787	\$45,044	3%	31%	17%	1%	0%	0%	93%	6%
Township of Lower	34009021804	1%	2,503	3,353	\$47,628	5%	20%	11%	4%	2%	0%	92%	2%
Township of Middle	34009022102	1%	2,412	3,238	\$54,492	11%	15%	9%	15%	2%	1%	76%	6%
Township of Middle	34009022100	1%	1,434	1,617	\$75,294	4%	8%	7%	4%	1%	1%	95%	0%
Township of Middle	34009022100	1%	2,185	2,707	\$56,179	11%	8%	14%	3%	2%	1%	93%	1%
Township of Middle	34009022101	1%	776	837	\$48,750	7%	0%	9%	0%	0%	0%	78%	22%
ESSEX COUNTY		0.1%	289,858	327,063	\$55,876	11%	0%	4%	40%	4%	0%	39%	16%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Caldwell	34013021801	1%	867	867	\$118,295	0%	0%	12%	0%	3%	0%	95%	2%
City of East Orange	34013001800	1%	521	887	\$28,107	41%	0%	10%	90%	0%	0%	0%	10%
City of East Orange	34013010900	1%	1,107	1,255	\$25,663	12%	0%	21%	89%	0%	0%	4%	6%
City of East Orange	34013010100	1%	932	1,067	\$70,294	13%	0%	5%	90%	0%	0%	1%	9%
City of East Orange	34013010000	1%	1,145	1,256	\$32,083	9%	0%	8%	89%	3%	0%	5%	4%
City of East Orange	34013011700	1%	1,366	1,538	\$44,527	9%	2%	12%	97%	0%	2%	0%	2%
City of Newark	34013007502	5%	962	1,157	\$30,743	17%	0%	6%	22%	5%	0%	28%	50%
City of Newark	34013007501	3%	1,397	1,626	\$29,731	10%	4%	6%	15%	1%	0%	26%	46%
City of Newark	34013007600	2%	1,024	1,169	\$42,277	12%	0%	4%	0%	2%	0%	59%	31%
City of Newark	34013002800	2%	401	608	\$42,422	34%	0%	2%	81%	0%	0%	2%	17%
City of Newark	34013005200	1%	339	447	\$59,563	24%	0%	0%	96%	0%	0%	0%	4%
City of Newark	34013005300	1%	821	985	\$54,050	17%	0%	14%	93%	1%	0%	2%	2%
City of Newark	34013004400	1%	549	757	\$30,923	27%	0%	11%	90%	0%	0%	0%	10%
City of Newark	34013001600	1%	497	690	\$33,066	28%	0%	5%	69%	0%	0%	2%	25%
City of Newark	34013004500	1%	1,186	1,483	\$43,333	20%	0%	7%	100%	0%	0%	0%	0%
City of Newark	34013001700	1%	704	999	\$35,375	30%	0%	14%	88%	0%	0%	1%	14%

Neighborhood Profiles by Census Tract

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households
City of Newark	34013004300	1%	824	1,067	\$31,019	23%	0%	7%	98%	0%	0%	0%	0%
City of Newark	34013001400	1%	704	1,152	\$25,471	39%	0%	2%	78%	3%	0%	3%	19%
City of Newark	34013002400	1%	1,222	1,450	\$41,818	16%	0%	8%	93%	0%	0%	1%	5%
City of Newark	34013002300	1%	1,568	1,818	\$51,755	14%	0%	7%	92%	0%	0%	4%	6%
City of Newark	34013002100	1%	1,099	1,227	\$59,294	10%	0%	3%	85%	0%	1%	11%	5%
City of Newark	34013004600	1%	1,308	1,497	\$43,669	13%	0%	9%	97%	0%	0%	2%	2%
City of Newark	34013002500	1%	1,157	1,554	\$49,539	26%	0%	11%	91%	0%	0%	0%	7%
City of Newark	34013001900	1%	995	800	\$19,938	26%	0%	2%	97%	0%	0%	0%	7%
Town of Kearny	34013014400	3%	1,429	1,676	\$60,975	14%	1%	5%	17%	7%	0%	37%	38%
Township of City of Orange	34013017800	4%	1,078	1,261	\$36,620	15%	0%	15%	29%	4%	2%	33%	32%
Township of Hillside	34013012700	1%	1,456	1,652	\$52,337	12%	0%	6%	91%	0%	0%	3%	4%
Township of Irvington	34013012500	1%	1,414	1,701	\$46,932	17%	0%	14%	87%	2%	0%	8%	3%
Township of Irvington	34013012800	1%	1,306	1,445	\$50,805	10%	0%	1%	89%	0%	0%	2%	9%
Township of Irvington	34013012000	1%	2,077	2,481	\$48,856	15%	1%	5%	79%	3%	0%	6%	11%
Township of Irvington	34013012900	1%	978	1,362	\$31,165	28%	0%	5%	93%	0%	0%	0%	13%
Township of Irvington	34013013200	1%	909	1,419	\$32,303	36%	0%	9%	90%	2%	0%	1%	7%
Township of Irvington	34013012600	1%	1,110	1,367	\$50,694	19%	0%	1%	87%	1%	0%	6%	4%
Township of Montclair	34013017200	1%	1,004	1,160	\$69,459	10%	3%	10%	65%	0%	4%	26%	1%
Township of South Orange Village	34013017900	5%	1,137	1,147	\$117,981	0%	1%	6%	26%	6%	0%	64%	2%
Township of West Caldwell	34013021802	2%	1,297	1,325	\$81,101	0%	2%	25%	4%	9%	0%	85%	3%
Township of West Caldwell	34013021803	2%	1,595	1,615	\$106,810	1%	0%	13%	0%	2%	0%	94%	3%
Township of West Orange	34013018000	6%	2,042	2,081	\$134,076	0%	0%	9%	14%	4%	0%	69%	11%
Township of West Orange	34013017301	6%	1,832	1,849	\$119,244	2%	0%	12%	9%	8%	0%	79%	4%
Township of West Orange	34013017600	4%	1,599	1,738	\$57,393	8%	0%	13%	29%	3%	0%	37%	29%
Township of West Orange	34013017700	4%	1,439	1,541	\$50,304	7%	0%	2%	39%	5%	0%	18%	38%
Township of West Orange	34013017500	3%	2,475	2,813	\$100,544	12%	0%	18%	21%	10%	0%	61%	7%
Township of West Orange	34013017302	3%	2,384	2,551	\$82,287	7%	0%	19%	12%	13%	0%	70%	4%
Township of West Orange	34013017400	2%	2,016	2,016	\$101,829	0%	0%	13%	16%	9%	0%	68%	6%
HUDSON COUNTY		1.9%	237,272	264,352	\$57,660	10%	0%	3%	13%	12%	0%	38%	37%
CENSUS TRACTS WITH DAMAGED HOMES													
City of Bayonne	34017006100	15%	2,317	2,591	\$60,147	11%	0%	4%	32%	17%	4%	23%	23%
City of Bayonne	34017010800	8%	1,230	1,389	\$84,958	11%	1%	8%	9%	6%	0%	72%	14%
City of Bayonne	34017011400	6%	1,222	1,413	\$67,944	14%	0%	10%	5%	1%	0%	77%	17%
City of Bayonne	34017011600	5%	1,788	1,917	\$46,295	7%	0%	9%	20%	1%	0%	63%	11%
City of Bayonne	34017011200	4%	2,460	2,672	\$70,305	8%	0%	12%	2%	4%	0%	82%	13%
City of Bayonne	34017010100	3%	2,182	2,407	\$54,558	9%	0%	13%	8%	11%	1%	58%	23%
City of Bayonne	34017010600	2%	2,783	3,065	\$45,916	9%	0%	20%	9%	6%	0%	66%	15%
City of Hoboken	34017018600	12%	1,157	1,288	\$92,216	10%	0%	8%	0%	2%	0%	83%	14%
City of Hoboken	34017018900	11%	1,766	1,922	\$100,373	8%	0%	1%	1%	4%	0%	85%	9%
City of Hoboken	34017019100	11%	1,902	2,062	\$87,813	7%	1%	13%	3%	7%	0%	67%	24%
City of Hoboken	34017019200	9%	1,756	1,969	\$185,625	11%	0%	1%	0%	10%	0%	81%	7%
City of Hoboken	34017018800	8%	1,697	1,901	\$88,791	11%	0%	5%	1%	6%	0%	82%	8%
City of Hoboken	34017019000	7%	2,301	2,437	\$67,484	6%	0%	1%	12%	1%	0%	57%	29%
City of Hoboken	34017019300	6%	1,583	1,702	\$95,072	7%	0%	10%	2%	6%	0%	70%	20%
City of Hoboken	34017018500	5%	2,575	2,926	\$109,090	12%	0%	1%	0%	8%	0%	69%	19%
City of Hoboken	34017018400	1%	2,447	2,535	\$111,917	3%	0%	13%	2%	6%	1%	71%	19%
City of Jersey City	34017006400	17%	1,525	1,638	\$86,020	6%	1%	6%	6%	17%	0%	56%	19%
City of Jersey City	34017006500	14%	801	1,098	\$63,899	27%	0%	8%	8%	11%	0%	41%	37%
City of Jersey City	34017005900	7%	2,455	2,829	\$82,417	13%	0%	6%	28%	27%	0%	30%	18%
City of Jersey City	34017004000	7%	1,744	1,988	\$66,786	11%	1%	5%	28%	35%	1%	19%	16%
City of Jersey City	34017004700	7%	845	1,010	\$52,161	16%	1%	8%	38%	1%	0%	17%	44%
City of Jersey City	34017005802	4%	914	981	\$174,722	4%	3%	4%	5%	13%	0%	68%	13%
City of Jersey City	34017007500	4%	2,600	2,887	\$96,765	7%	0%	12%	6%	35%	0%	45%	12%
City of Jersey City	34017009500	3%	970	1,132	\$95,938	14%	0%	0%	7%	15%	0%	51%	23%
City of Jersey City	34017007300	3%	358	466	\$136,071	23%	0%	0%	1%	33%	0%	49%	9%
City of Jersey City	34017007700	3%	4,530	5,233	\$135,536	11%	2%	2%	3%	68%	0%	24%	3%
City of Jersey City	34017006700	2%	1,111	1,576	\$22,052	30%	0%	5%	67%	4%	0%	4%	29%
City of Jersey City	34017002400	2%	1,220	1,441	\$88,047	15%	0%	5%	8%	11%	3%	57%	17%
City of Jersey City	34017006600	1%	507	518	\$66,773	2%	0%	8%	8%	53%	0%	23%	7%
City of Jersey City	34017012700	1%	1,862	2,003	\$65,431	7%	0%	12%	5%	3%	0%	58%	31%
City of Jersey City	34017004800	1%	1,360	1,543	\$70,298	12%	0%	4%	25%	38%	0%	21%	17%
City of Jersey City	34017004600	1%	801	910	\$45,048	12%	0%	5%	45%	0%	0%	6%	49%
City of Jersey City	34017005300	1%	971	1,222	\$47,188	21%	0%	4%	87%	1%	0%	1%	19%
City of Jersey City	34017004500	1%	1,228	1,575	\$47,308	20%	2%	11%	79%	3%	0%	2%	16%

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HI Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic)	% Hispanic Households
City of Jersey City	34017002300	1%	1,053	1,178	\$80,491	11%	0%	0%	11%	13%	1%	63%	12%
City of Jersey City	34017007000	1%	1,863	2,148	\$63,965	13%	0%	4%	15%	17%	0%	39%	32%
City of Jersey City	34017004300	1%	853	1,037	\$38,798	18%	0%	10%	72%	0%	0%	17%	15%
City of Jersey City	34017007800	1%	657	674	\$28,542	3%	0%	32%	9%	21%	0%	25%	46%
City of Jersey City	34017005500	1%	684	819	\$47,155	16%	0%	8%	89%	1%	0%	0%	12%
City of Jersey City	34017002200	1%	807	876	\$62,574	8%	0%	7%	2%	5%	0%	72%	19%
City of Jersey City	34017004102	1%	1,136	1,279	\$44,525	11%	0%	4%	54%	10%	0%	10%	29%
City of Jersey City	34017006800	1%	1,114	1,408	\$38,362	21%	0%	11%	86%	1%	0%	6%	7%
City of Jersey City	34017005600	1%	1,279	1,413	\$43,590	9%	0%	10%	48%	20%	0%	15%	14%
City of Jersey City	34017005200	1%	1,492	1,913	\$39,365	22%	0%	9%	70%	7%	0%	13%	12%
City of Jersey City	34017005801	1%	1,828	2,029	\$32,697	10%	0%	10%	83%	0%	0%	6%	12%
City of Jersey City	34017002700	1%	1,496	1,938	\$63,079	23%	0%	6%	35%	19%	0%	22%	20%
City of Jersey City	34017007600	1%	2,146	2,646	\$147,074	18%	1%	0%	3%	45%	0%	45%	6%
City of Jersey City	34017006000	1%	1,388	1,738	\$42,376	20%	0%	2%	65%	3%	0%	7%	30%
Town of Harrison	34017013800	18%	640	725	\$58,611	12%	0%	3%	3%	24%	0%	50%	20%
Town of Harrison	34017013700	5%	779	896	\$43,772	13%	0%	4%	1%	9%	0%	41%	49%
Town of Kearny	34017012800	6%	1,427	1,526	\$52,936	3%	4%	12%	6%	6%	1%	55%	33%
Town of Secaucus	34017019800	4%	2,047	2,236	\$83,599	8%	1%	8%	1%	15%	0%	67%	18%
Town of Secaucus	34017019900	1%	2,066	2,251	\$97,167	6%	2%	16%	6%	18%	0%	60%	13%
Town of West New York	34017015801	1%	1,396	1,514	\$145,962	8%	0%	1%	1%	34%	0%	60%	5%
Town of West New York	34017015900	1%	1,696	1,914	\$37,351	11%	0%	2%	5%	1%	0%	2%	96%
Town of West New York	34017016000	1%	1,137	1,189	\$31,291	4%	0%	4%	4%	0%	0%	15%	82%
Town of West New York	34017015500	1%	1,584	1,684	\$42,625	6%	0%	15%	2%	2%	0%	11%	87%
Town of West New York	34017015600	1%	1,426	1,457	\$37,453	2%	0%	7%	7%	1%	1%	9%	87%
Town of West New York	34017015700	1%	1,206	1,272	\$41,100	5%	0%	6%	10%	1%	0%	8%	88%
Town of West New York	34017015300	1%	1,586	1,798	\$32,252	12%	0%	4%	9%	4%	1%	15%	76%
Township of North Bergen	34017014101	2%	1,629	1,814	\$88,729	10%	0%	16%	6%	17%	1%	51%	23%
Township of Weehawken	34017012900	8%	752	789	\$11,000	5%	0%	2%	6%	12%	0%	66%	16%
Township of Weehawken	34017018200	8%	1,835	2,040	\$64,352	10%	0%	13%	11%	4%	0%	61%	21%
Township of Weehawken	34017018000	1%	1,802	1,963	\$57,308	8%	0%	5%	5%	9%	1%	43%	42%
MIDDLESEX COUNTY		0.7%	290,321	306,561	\$78,622	5%	0%	6%	10%	17%	0%	57%	15%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Carteret	34023003600	10%	2,257	2,523	\$58,818	11%	0%	8%	10%	13%	0%	44%	32%
Borough of Carteret	34023007100	4%	1,228	1,264	\$77,687	3%	0%	10%	13%	20%	1%	51%	17%
Borough of Carteret	34023009100	3%	1,285	1,317	\$76,298	2%	0%	6%	13%	8%	1%	56%	21%
Borough of Carteret	34023003500	3%	1,313	1,383	\$63,472	5%	0%	11%	6%	20%	1%	55%	19%
Borough of Carteret	34023001800	1%	2,372	2,546	\$62,100	6%	0%	6%	11%	14%	0%	47%	30%
Borough of Dunellen	34023004001	1%	1,209	1,265	\$105,049	4%	0%	3%	20%	12%	0%	57%	10%
Borough of Highland Park	34023001600	1%	1,817	1,883	\$63,669	4%	0%	6%	6%	16%	0%	64%	11%
Borough of Matawan	34023007910	1%	1,464	1,487	\$46,556	2%	0%	32%	6%	8%	0%	83%	4%
Borough of Sayreville	34023007101	16%	1,287	1,391	\$112,517	5%	3%	12%	6%	14%	0%	62%	17%
Borough of Sayreville	34023006900	8%	1,082	1,249	\$47,538	13%	0%	10%	5%	0%	0%	72%	23%
Borough of Sayreville	34023009200	5%	1,630	1,737	\$76,591	6%	0%	18%	6%	8%	0%	77%	10%
Borough of Sayreville	34023007000	4%	2,685	2,888	\$76,051	7%	0%	9%	9%	6%	1%	74%	9%
Borough of Sayreville	34023007103	4%	1,902	2,041	\$54,773	7%	0%	3%	41%	17%	0%	26%	17%
Borough of Sayreville	34023008001	2%	2,386	2,590	\$72,853	4%	4%	3%	8%	8%	0%	76%	6%
Borough of Sayreville	34023007600	2%	2,244	2,384	\$65,119	6%	0%	18%	3%	3%	0%	89%	6%
Borough of Sayreville	34023006703	2%	1,867	1,901	\$95,819	1%	0%	5%	3%	28%	0%	60%	7%
Borough of Sayreville	34023007402	1%	1,738	1,835	\$71,894	4%	1%	13%	9%	7%	0%	80%	5%
Borough of Sayreville	34023007202	1%	1,608	1,632	\$91,177	1%	0%	7%	3%	16%	1%	72%	8%
Borough of South River	34023006800	5%	1,558	1,703	\$70,909	7%	2%	7%	3%	1%	0%	80%	13%
City of New Brunswick	34035053200	1%	2,119	2,301	\$70,719	8%	0%	11%	46%	5%	0%	35%	13%
City of Perth Amboy	34023005000	1%	1,657	1,728	\$49,471	4%	0%	2%	11%	0%	0%	10%	79%
City of Perth Amboy	34023004300	1%	1,240	1,310	\$71,005	5%	0%	2%	11%	0%	0%	24%	68%
City of Perth Amboy	34023004900	1%	1,847	1,964	\$39,819	6%	0%	11%	10%	3%	0%	11%	76%
City of Perth Amboy	34023004100	1%	996	1,010	\$75,714	1%	0%	8%	8%	0%	0%	33%	59%
City of Rahway	34023009000	2%	978	1,127	\$70,938	13%	0%	10%	25%	22%	0%	50%	3%
City of South Amboy	34023007500	1%	1,224	1,290	\$61,196	3%	2%	10%	2%	1%	0%	89%	7%
Township of Aberdeen	34023002500	3%	1,161	1,161	\$57,468	0%	0%	6%	9%	3%	1%	74%	13%
Township of East Brunswick	34023007703	1%	920	1,008	\$100,978	9%	0%	3%	3%	5%	0%	84%	6%
Township of North Brunswick	34023006104	1%	1,550	1,566	\$69,091	1%	0%	8%	28%	20%	0%	42%	9%
Township of Old Bridge	34023007911	1%	1,081	1,119	\$149,095	0%	3%	5%	2%	28%	0%	60%	6%
Township of Piscataway	34023006033	1%	768	782	\$111,917	2%	0%	4%	8%	30%	0%	50%	8%
Township of South Brunswick	34023008404	1%	1,437	1,519	\$69,321	5%	0%	12%	4%	14%	0%	68%	10%

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 45 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households
Township of South Brunswick	34023008405	1%	1,530	1,583	\$131,735	3%	0%	4%	7%	36%	0%	56%	2%
Township of Woodbridge	34023002901	14%	1,127	1,268	\$79,896	11%	0%	6%	9%	10%	1%	60%	19%
Township of Woodbridge	34023002805	6%	971	971	\$77,227	0%	0%	7%	1%	0%	0%	86%	11%
Township of Woodbridge	34023003401	5%	1,313	1,462	\$71,836	10%	0%	8%	9%	2%	0%	69%	20%
Township of Woodbridge	34023003001	3%	1,488	1,607	\$85,714	7%	0%	5%	7%	5%	0%	69%	18%
Township of Woodbridge	34023002901	3%	1,143	1,201	\$66,477	5%	0%	15%	6%	2%	1%	76%	17%
Township of Woodbridge	34023003300	1%	1,923	2,057	\$59,770	7%	0%	5%	15%	5%	0%	40%	39%
Township of Woodbridge	34023002402	1%	505	520	\$122,574	3%	0%	12%	0%	12%	0%	88%	0%
Township of Woodbridge	34023003002	1%	2,363	2,410	\$92,907	2%	0%	7%	9%	40%	0%	34%	7%
MONMOUTH COUNTY		5.0%	231,068	255,497	\$83,842	6%	4%	7%	7%	4%	0%	81%	7%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Allenhurst	34025812400	2%	1,058	1,795	\$99,545	7%	34%	14%	2%	0%	0%	95%	2%
Borough of Atlantic Highlands	34025800400	7%	1,354	1,385	\$76,111	2%	0%	7%	0%	2%	0%	94%	3%
Borough of Atlantic Highlands	34025800200	3%	1,724	1,794	\$89,539	3%	1%	12%	2%	2%	1%	89%	6%
Borough of Avon-by-the-Sea	34025806300	16%	952	1,325	\$78,500	6%	22%	19%	0%	0%	0%	97%	3%
Borough of Avon-by-the-Sea	34025808001	12%	1,827	1,863	\$89,479	0%	2%	11%	1%	0%	0%	96%	2%
Borough of Belmar	34025808401	33%	1,135	1,531	\$64,375	4%	22%	19%	1%	0%	0%	85%	13%
Borough of Belmar	34025808402	18%	1,487	2,250	\$58,505	15%	19%	10%	3%	3%	0%	77%	15%
Borough of Belmar	34025806000	9%	809	1,066	\$76,991	8%	16%	8%	7%	1%	0%	80%	9%
Borough of Bradley Beach	34025806200	3%	2,336	3,482	\$65,000	11%	22%	13%	3%	5%	1%	80%	11%
Borough of Brielle	34025809400	6%	1,936	2,194	\$101,048	4%	8%	9%	2%	2%	0%	93%	4%
Borough of Deal	34025806300	2%	987	1,302	\$82,765	4%	20%	18%	2%	0%	0%	95%	3%
Borough of Highlands	34025800100	34%	2,455	3,013	\$78,860	8%	11%	8%	1%	0%	0%	93%	4%
Borough of Highlands	34025800900	1%	2,164	2,313	\$99,650	6%	0%	10%	2%	1%	0%	92%	5%
Borough of Interlaken	34025807004	5%	1,669	2,181	\$33,114	14%	9%	23%	25%	1%	2%	48%	29%
Borough of Keansburg	34025801700	30%	1,772	1,937	\$52,804	9%	0%	6%	7%	1%	0%	76%	15%
Borough of Keansburg	34025801800	17%	2,150	2,305	\$35,982	7%	0%	15%	3%	0%	0%	86%	9%
Borough of Keansburg	34025800601	3%	1,865	2,004	\$76,817	7%	0%	7%	3%	2%	0%	89%	5%
Borough of Keansburg	34025800200	1%	1,488	1,501	\$83,750	1%	0%	12%	1%	2%	0%	92%	5%
Borough of Keyport	34025801900	4%	1,474	1,574	\$82,054	6%	0%	3%	7%	5%	0%	77%	11%
Borough of Keyport	34025802000	4%	1,719	1,869	\$61,891	8%	0%	10%	3%	1%	0%	80%	16%
Borough of Little Silver	34025805300	21%	2,012	2,092	\$88,732	3%	1%	13%	1%	4%	0%	95%	0%
Borough of Little Silver	34025804200	8%	2,130	2,283	\$163,382	5%	2%	12%	0%	4%	0%	94%	2%
Borough of Manasquan	34025809302	16%	1,243	2,107	\$61,225	11%	10%	12%	0%	0%	0%	99%	1%
Borough of Manasquan	34025809301	2%	1,209	1,373	\$75,807	9%	3%	8%	0%	0%	0%	100%	0%
Borough of Matawan	34025802600	1%	1,752	1,875	\$79,655	4%	0%	5%	22%	13%	0%	58%	7%
Borough of Monmouth Beach	34025804100	34%	1,619	2,113	\$62,188	5%	16%	13%	1%	2%	0%	95%	3%
Borough of Monmouth Beach	34025805400	32%	1,718	2,278	\$63,974	14%	10%	13%	19%	4%	0%	67%	10%
Borough of Monmouth Beach	34025803800	6%	990	1,172	\$219,500	11%	4%	7%	0%	0%	0%	98%	1%
Borough of Neptune City	34025808100	2%	2,190	2,395	\$68,182	5%	3%	10%	11%	5%	0%	75%	9%
Borough of Neptune City	34025807500	1%	1,050	1,195	\$49,444	12%	0%	15%	44%	2%	0%	39%	12%
Borough of Oceanport	34025802500	21%	1,320	1,558	\$49,802	10%	5%	3%	33%	3%	0%	48%	17%
Borough of Red Bank	34025803400	1%	1,621	1,738	\$42,750	7%	0%	7%	34%	4%	0%	33%	32%
Borough of Rumson	34025803900	5%	1,285	1,424	\$112,656	6%	4%	3%	0%	0%	0%	98%	2%
Borough of Sea Bright	34025812100	51%	769	1,236	\$77,950	17%	21%	7%	3%	0%	0%	81%	9%
Borough of Sea Girt	34025809200	3%	794	1,281	\$105,000	4%	34%	19%	0%	0%	0%	100%	0%
Borough of Spring Lake	34025801100	2%	1,267	2,107	\$107,723	7%	33%	20%	0%	1%	0%	98%	1%
Borough of Union Beach	34025801800	25%	2,102	2,120	\$65,654	1%	0%	7%	2%	1%	1%	91%	6%
Borough of West Long Branch	34025806201	4%	813	903	\$71,058	4%	4%	12%	0%	2%	0%	95%	3%
Borough of West Long Branch	34025806202	3%	1,545	1,678	\$97,891	8%	0%	12%	0%	1%	0%	92%	8%
Borough of West Long Branch	34025805700	1%	1,087	1,114	\$63,495	2%	0%	6%	6%	0%	0%	55%	38%
City of Asbury Park	34025807400	3%	1,956	3,061	\$45,907	13%	23%	18%	2%	0%	0%	96%	1%
City of Asbury Park	34025807300	1%	928	1,106	\$25,774	14%	2%	4%	82%	0%	2%	4%	11%
City of Asbury Park	34025807100	1%	1,184	1,374	\$40,199	9%	4%	11%	50%	0%	0%	38%	12%
City of Long Branch	34025805600	8%	645	769	\$22,887	16%	0%	17%	44%	0%	2%	14%	33%
City of Long Branch	34025806100	1%	1,304	1,689	\$57,426	11%	12%	11%	1%	1%	1%	92%	5%
City of Long Branch	34025805800	1%	1,754	1,873	\$45,906	5%	1%	10%	10%	2%	4%	59%	29%
Township of Brick	34029713201	1%	982	1,053	\$79,861	3%	3%	12%	0%	0%	0%	95%	5%
Township of Middletown	34025800500	20%	1,482	1,622	\$106,250	9%	0%	4%	1%	1%	0%	86%	10%
Township of Middletown	34025800602	2%	1,195	1,257	\$89,280	5%	0%	7%	1%	3%	0%	87%	9%
Township of Middletown	34025800702	1%	1,242	1,242	\$83,881	0%	0%	21%	3%	7%	0%	87%	3%
Township of Neptune	34025807800	1%	1,517	1,618	\$69,199	5%	0%	10%	47%	4%	0%	40%	6%
Township of Neptune	34025807900	1%	1,264	1,403	\$82,833	10%	0%	15%	36%	2%	0%	54%	3%
Township of Neptune	34025807600	1%	1,126	1,324	\$27,431	15%	0%	10%	87%	0%	0%	6%	6%

Neighborhood Profiles by Census Tract

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households
Township of Neptune	34025807700	1%	1,591	1,691	\$55,585	3%	3%	14%	65%	1%	0%	27%	6%
Township of Ocean	34025806600	1%	2,029	2,090	\$91,641	3%	0%	11%	2%	1%	0%	94%	2%
Township of Wall	34025808500	1%	2,879	2,958	\$79,406	6%	4%	12%	0%	0%	0%	94%	4%
OCEAN COUNTY		10.3%	216,386	270,212	\$60,712	5%	15%	14%	3%	1%	0%	90%	5%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Barnegat Light	34029738100	19%	864	4,026	\$101,021	4%	75%	18%	0%	2%	0%	97%	1%
Borough of Gay Head	34029712000	57%	714	1,564	\$101,136	8%	47%	21%	0%	1%	0%	89%	0%
Borough of Beach Haven	34029738002	11%	795	1,644	\$69,836	5%	73%	10%	0%	0%	1%	37%	1%
Borough of Beachwood	34029714000	15%	1,081	1,103	\$61,055	2%	0%	4%	20%	1%	0%	64%	15%
Borough of Beachwood	34029725100	1%	738	858	\$64,285	7%	7%	9%	0%	1%	0%	98%	1%
Borough of Island Heights	34029723500	14%	1,111	1,384	\$63,386	2%	17%	10%	3%	3%	0%	92%	1%
Borough of Island Heights	34029723600	6%	899	1,110	\$71,831	1%	18%	5%	2%	1%	0%	95%	1%
Borough of Island Heights	34029726000	3%	639	775	\$75,250	5%	12%	12%	0%	0%	0%	97%	0%
Borough of Lavelle	34029727001	68%	301	3,064	\$61,667	6%	63%	23%	0%	0%	0%	100%	0%
Borough of Lavelle	34029723500	66%	757	4,110	\$64,480	5%	77%	27%	0%	0%	0%	99%	1%
Borough of Ocean Gate	34029729000	41%	714	1,119	\$65,625	6%	30%	12%	4%	0%	0%	92%	4%
Borough of Ocean Gate	34029731101	6%	1,237	1,311	\$65,702	2%	4%	4%	0%	1%	0%	92%	7%
Borough of Pine Beach	34029730000	1%	788	897	\$62,969	6%	6%	10%	0%	0%	0%	98%	2%
Borough of Point Pleasant	34029713700	29%	1,091	1,312	\$108,946	8%	8%	12%	0%	0%	0%	99%	1%
Borough of Point Pleasant	34029710100	25%	2,150	3,515	\$61,476	10%	29%	15%	0%	1%	0%	96%	3%
Borough of Point Pleasant	34029711400	11%	2,335	2,701	\$87,487	2%	12%	11%	0%	0%	0%	97%	2%
Borough of Point Pleasant	34029711100	1%	1,885	2,153	\$71,563	9%	4%	9%	0%	0%	0%	97%	3%
Borough of Point Pleasant	34029711200	1%	1,550	1,732	\$88,077	6%	4%	6%	0%	1%	0%	99%	1%
Borough of Seaside Heights	34029727002	57%	731	2,636	\$57,614	5%	07%	20%	0%	0%	0%	98%	2%
Borough of Seaside Heights	34029728000	34%	2,799	7,499	\$41,230	8%	55%	12%	2%	0%	0%	91%	6%
Borough of Ship Bottom	34029739000	15%	1,287	4,701	\$60,341	5%	67%	16%	0%	0%	0%	97%	2%
Borough of Tuckerton	34029737000	14%	1,316	1,865	\$56,577	4%	25%	14%	0%	2%	1%	95%	2%
Borough of Tuckerton	34029736102	6%	3,020	3,565	\$58,918	8%	8%	10%	1%	1%	0%	93%	2%
Borough of Tuckerton	34029736101	4%	2,015	2,254	\$60,309	2%	9%	19%	2%	2%	0%	89%	6%
Township of Barnegat	34029735104	5%	1,441	1,714	\$65,903	8%	8%	8%	0%	0%	0%	90%	7%
Township of Barnegat	34029733000	4%	3,305	4,148	\$73,917	5%	15%	8%	1%	0%	0%	96%	2%
Township of Barnegat	34029734002	3%	2,271	2,666	\$75,929	4%	11%	8%	1%	2%	0%	90%	6%
Township of Berkeley	34029731001	30%	1,388	1,876	\$78,472	7%	15%	10%	1%	0%	0%	96%	3%
Township of Berkeley	34029731002	28%	1,448	1,810	\$68,550	6%	14%	9%	0%	0%	0%	92%	8%
Township of Berkeley	34029720103	1%	3,002	3,499	\$30,594	10%	5%	47%	1%	2%	0%	94%	2%
Township of Brick	34029714400	57%	853	1,468	\$66,544	4%	77%	26%	0%	0%	0%	98%	2%
Township of Brick	34029714300	53%	1,354	1,785	\$68,193	3%	21%	8%	1%	0%	0%	99%	1%
Township of Brick	34029714200	24%	2,451	2,912	\$74,122	7%	9%	4%	5%	0%	0%	87%	6%
Township of Brick	34029713800	19%	1,378	1,622	\$90,714	5%	10%	8%	1%	1%	0%	97%	1%
Township of Brick	34029714100	12%	1,586	1,666	\$47,021	4%	7%	35%	0%	2%	0%	99%	1%
Township of Brick	34029713900	2%	2,640	2,745	\$58,965	2%	2%	7%	3%	3%	0%	84%	10%
Township of Brick	34029713100	2%	2,509	2,606	\$78,011	2%	1%	6%	0%	0%	0%	96%	3%
Township of Brick	34029713600	2%	1,289	1,318	\$87,569	2%	1%	4%	0%	2%	0%	93%	5%
Township of Brick	34029713500	1%	1,365	1,443	\$59,875	3%	3%	16%	0%	0%	0%	96%	4%
Township of Eagleswood	34029735101	57%	2,345	4,789	\$67,583	5%	46%	21%	1%	1%	0%	93%	8%
Township of Eagleswood	34029736002	24%	612	750	\$64,457	6%	12%	10%	1%	2%	0%	94%	2%
Township of Lacey	34029732103	18%	1,082	1,340	\$70,714	1%	18%	11%	0%	0%	0%	96%	4%
Township of Lacey	34029732104	14%	1,616	2,173	\$72,438	8%	17%	8%	1%	1%	0%	95%	3%
Township of Lacey	34029732101	11%	2,328	2,672	\$77,190	4%	8%	12%	0%	0%	0%	95%	5%
Township of Lacey	34029720001	1%	2,123	2,276	\$43,702	4%	3%	38%	1%	0%	0%	98%	0%
Township of Little Egg Harbor	34029736105	79%	1,801	1,236	\$52,183	5%	40%	11%	0%	0%	0%	93%	4%
Township of Long Beach	34029738001	73%	986	1,508	\$65,515	5%	77%	13%	0%	1%	0%	98%	1%
Township of Stafford	34029735101	1%	1,069	1,137	\$37,538	3%	3%	27%	0%	0%	4%	88%	7%
Township of Toms River	34029723400	30%	1,385	1,852	\$78,694	2%	23%	9%	0%	0%	0%	94%	6%
Township of Toms River	34029722401	17%	1,978	2,313	\$75,132	2%	12%	8%	0%	3%	0%	93%	4%
Township of Toms River	34029722402	16%	1,495	1,895	\$86,402	2%	21%	6%	0%	2%	0%	94%	4%
Township of Toms River	34029722600	8%	1,165	1,292	\$71,144	0%	10%	12%	1%	1%	0%	90%	8%
Township of Toms River	34029723300	3%	2,184	2,488	\$70,833	7%	5%	5%	0%	1%	0%	90%	9%
Township of Toms River	34029722702	1%	1,495	1,542	\$80,368	3%	0%	6%	0%	0%	0%	95%	5%
Township of Toms River	34029723200	1%	2,069	2,098	\$91,513	1%	0%	3%	2%	8%	0%	84%	6%
UNION COUNTY		0.4%	166,761	179,638	\$68,688	7%	0%	6%	22%	4%	0%	51%	22%
CENSUS TRACTS WITH DAMAGED HOMES													
Borough of Garwood	34039036800	2%	2,425	2,576	\$124,179	6%	0%	15%	3%	8%	0%	87%	2%

Neighborhood Profiles by Census Tract

Municipality	Census Tract	% of Households with Major/Severe Damage	Households	Housing units	Median HH Income	% Non-Seasonal Vacancies	% of Homes that are Seasonally Vacant	% Households Over 65 Living Alone	% Black Households	% Asian & Pacific Islander Households	% Native American Households	% White (Non-Hispanic) Households	% Hispanic Households
Borough of Mountainside	34039036500	3%	1,743	1,743	\$164,010	0%	0%	3%	2%	8%	0%	87%	3%
Borough of Mountainside	34039036400	3%	2,182	2,334	\$172,857	7%	0%	8%	1%	1%	0%	93%	4%
Borough of Roselle	34039034200	1%	1,210	1,326	\$61,000	9%	0%	7%	52%	5%	0%	24%	19%
Borough of Roselle	34039034100	1%	1,315	1,442	\$46,958	9%	0%	9%	51%	1%	0%	26%	23%
Borough of Roselle	34039034300	1%	1,439	1,531	\$61,761	6%	0%	11%	50%	3%	0%	32%	16%
City of Elizabeth	34039030500	4%	1,464	1,667	\$44,136	12%	0%	4%	12%	0%	1%	19%	71%
City of Elizabeth	34039030900	2%	1,719	1,916	\$49,621	10%	0%	3%	3%	3%	0%	28%	65%
City of Elizabeth	34039030600	2%	1,144	1,295	\$36,607	12%	0%	6%	29%	3%	1%	21%	47%
City of Elizabeth	34039030802	1%	850	1,002	\$45,536	15%	0%	4%	13%	0%	0%	20%	64%
City of Elizabeth	34039030400	1%	1,477	1,827	\$35,614	19%	0%	10%	36%	0%	0%	6%	57%
City of Linden	34039035400	12%	954	1,042	\$57,727	8%	0%	15%	11%	3%	0%	69%	16%
City of Linden	34039035200	5%	775	819	\$56,384	4%	2%	1%	10%	0%	3%	48%	44%
City of Linden	34039035300	1%	1,842	2,023	\$50,490	9%	0%	8%	22%	2%	0%	61%	17%
City of Linden	34039034600	1%	1,292	1,441	\$61,156	10%	0%	5%	77%	0%	0%	8%	10%
City of Linden	34039035500	1%	2,675	2,844	\$53,832	6%	0%	10%	18%	2%	0%	57%	19%
City of Plainfield	34039039100	1%	1,266	1,393	\$105,400	9%	0%	7%	48%	4%	1%	38%	8%
City of Rahway	34039036000	6%	1,961	2,144	\$56,726	9%	0%	14%	57%	2%	0%	19%	18%
City of Rahway	34039035800	3%	1,269	1,293	\$46,563	2%	0%	12%	60%	2%	0%	29%	9%
City of Rahway	34039035900	1%	1,231	1,408	\$55,244	13%	0%	12%	24%	5%	0%	43%	21%
Town of Westfield	34039036700	4%	2,183	2,209	\$113,443	1%	0%	7%	2%	6%	0%	88%	3%
Town of Westfield	34039036600	3%	1,557	1,692	\$90,096	7%	1%	11%	11%	3%	0%	77%	7%
Township of Clark	34039036100	2%	670	690	\$51,406	3%	0%	18%	1%	0%	1%	91%	5%
Township of Hillside	34039032200	1%	2,161	2,186	\$60,163	1%	0%	7%	89%	0%	0%	3%	3%
Township of Hillside	34039032400	1%	2,616	2,773	\$50,435	5%	0%	9%	42%	1%	0%	27%	22%
Township of Union	34039032800	1%	1,868	2,040	\$52,269	8%	0%	10%	73%	1%	0%	18%	9%

Note: Only includes Census Tracts in Municipalities with more than 50 Major or Severely Damaged Units. Hispanic is reported separately from race in the U.S. Census and Hispanic Households may be of any racial background. Source: US Census American Community Survey, 2009-2011 Averages and FEMA Individual Assistance Records as of February 25, 2013.

Municipality	Census Tract	% of Households with Overcrowding (more than 1.0 Person per % Owner-Occupied room) Households		% Renter Occupied Households	% Renters in Small Buildings (2-9 Units)	% Black Renters	% White (Non-Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters	
9 AFFECTED COUNTIES		4%	62%	38%	46%	23%	40%	9%	27%	
ATLANTIC COUNTY		2%	71%	29%	35%	29%	45%	5%	20%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Longport	34001013500	0%	93%	7%	1%	0%	100%	0%	0%	
City of Absecon	34001011702	6%	86%	14%	8%	4%	35%	33%	29%	
City of Absecon	34001010300	1%	64%	36%	3%	37%	32%	25%	12%	
City of Absecon	34001010200	0%	92%	8%	3%	8%	74%	0%	13%	
City of Atlantic City	34001001300	5%	42%	58%	27%	21%	11%	3%	6%	
City of Atlantic City	34001000500	14%	43%	57%	44%	17%	26%	22%	42%	
City of Atlantic City	34001000100	6%	41%	59%	15%	28%	35%	0%	33%	
City of Atlantic City	34001000300	13%	28%	72%	50%	7%	30%	14%	48%	
City of Atlantic City	34001001200	1%	45%	55%	26%	91%	0%	1%	7%	
City of Atlantic City	34001000200	2%	66%	34%	11%	4%	71%	38%	9%	
City of Atlantic City	34001002300	7%	34%	66%	30%	7%	16%	32%	46%	
City of Atlantic City	34001001400	2%	28%	72%	41%	73%	6%	1%	21%	
City of Atlantic City	34001012000	8%	65%	35%	18%	54%	29%	2%	15%	
City of Atlantic City	34001002500	1%	39%	61%	3%	53%	32%	2%	13%	
City of Atlantic City	34001001100	1%	18%	82%	10%	82%	9%	0%	6%	
City of Atlantic City	34001001500	1%	12%	88%	5%	58%	17%	6%	19%	
City of Atlantic City	34001002400	6%	5%	95%	24%	32%	43%	10%	14%	
City of Atlantic City	34001001900	7%	6%	94%	15%	62%	20%	6%	10%	
City of Atlantic City	34001000400	10%	43%	57%	22%	24%	33%	9%	28%	
City of Brigantine	34001010101	0%	89%	11%	3%	0%	95%	3%	0%	
City of Brigantine	34001010102	0%	65%	35%	16%	3%	75%	15%	3%	
City of Brigantine	34001010104	0%	62%	38%	31%	0%	93%	0%	7%	
City of Brigantine	34001010105	4%	59%	41%	18%	20%	56%	22%	14%	
City of Brigantine	34001010501	0%	86%	14%	7%	8%	81%	4%	6%	
City of Corbin City	34001011600	1%	89%	11%	2%	2%	67%	0%	28%	
City of Estell Manor	34009020400	0%	94%	6%	0%	0%	100%	0%	0%	
City of Linwood	34001012502	0%	98%	2%	0%	0%	54%	0%	0%	
City of Linwood	34001012602	0%	97%	3%	1%	0%	100%	0%	0%	
City of Linwood	34001011803	0%	85%	15%	8%	4%	58%	2%	27%	
City of Margate City	34001013102	0%	58%	42%	15%	0%	96%	0%	4%	
City of Margate City	34001013101	0%	92%	8%	0%	0%	100%	0%	0%	
City of Margate City	34001013000	0%	80%	20%	4%	0%	79%	0%	21%	
City of Northfield	34001012401	0%	93%	7%	3%	0%	62%	0%	23%	
City of Pleasantville	34001012100	3%	63%	37%	15%	23%	15%	0%	54%	
City of Pleasantville	34001012200	8%	69%	31%	11%	48%	25%	3%	26%	
City of Pleasantville	34001011900	5%	48%	52%	16%	54%	25%	3%	19%	
City of Somers Point	34001012802	4%	74%	26%	10%	15%	85%	0%	15%	
City of Somers Point	34001012801	0%	44%	56%	19%	30%	54%	0%	9%	
City of Ventnor City	34001013202	5%	56%	44%	24%	14%	64%	5%	16%	
City of Ventnor City	34001013302	3%	62%	38%	15%	3%	59%	0%	38%	
City of Ventnor City	34001013201	5%	59%	41%	22%	0%	65%	0%	35%	
City of Ventnor City	34001013301	0%	73%	27%	12%	0%	92%	0%	8%	
Township of Egg Harbor	34001011805	0%	98%	2%	0%	0%	100%	0%	0%	
Township of Egg Harbor	34001011804	1%	94%	6%	0%	0%	100%	0%	0%	
Township of Egg Harbor	34001011802	1%	94%	6%	1%	14%	38%	0%	48%	
Township of Egg Harbor	34001011701	1%	89%	11%	2%	20%	46%	11%	28%	
Township of Galloway	34001010505	2%	88%	12%	4%	0%	100%	0%	0%	
Township of Galloway	34001010403	2%	90%	10%	1%	0%	84%	8%	8%	
Township of Hamilton	34001010700	1%	86%	14%	1%	25%	38%	0%	37%	
Township of Hamilton	34001011401	1%	84%	16%	0%	0%	100%	0%	0%	
Township of Hamilton	34001011500	3%	85%	15%	2%	49%	35%	0%	8%	
Township of Hamilton	34001011404	2%	81%	19%	3%	5%	65%	11%	18%	
BERGEN COUNTY		3%	66%	34%	48%	9%	51%	16%	24%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Bogota	34003013602	6%	23%	77%	45%	21%	51%	1%	47%	
Borough of East Rutherford	34003012002	7%	57%	43%	28%	0%	11%	24%	6%	
Borough of Edgewater	34003013002	4%	49%	51%	20%	6%	12%	18%	10%	
Borough of Franklin Lakes	34003061300	0%	92%	8%	0%	0%	0%	0%	2%	
Borough of Hackensack Heights	34003050100	3%	80%	20%	3%	0%	34%	19%	14%	
Borough of Hilldale	34003059100	1%	55%	45%	22%	0%	20%	7%	10%	

Municipality	Census Tract	% of Households with Overcrowding Issue (more than 1.0 Person per % Owner-Occupied Household)		% Renter Households	% Renters in Small Buildings (2- 9 Units)	% Black Renters	% White (Non- Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters
		%	%						
CAPE MAY COUNTY									
CENSUS TRACTS WITH DAMAGED HOMES									
Borough of Asbury	3400901980	0%	88%	17%	4%	0%	0%	0%	0%
Borough of Cape May Point	3400901190	0%	81%	19%	5%	13%	8%	0%	2%
Borough of Stone Harbor	3400902060	0%	84%	16%	9%	0%	0%	0%	0%
Borough of West Wildwood	3400902140	22%	46%	54%	35%	9%	26%	0%	19%
Borough of Wildwood Crest	3400902160	0%	66%	34%	26%	0%	15%	0%	5%
Borough of Wildwood Crest	3400902170	0%	81%	19%	2%	10%	0%	0%	2%
Borough of Woodbine	3400902050	1%	51%	49%	3%	18%	42%	0%	11%
City of Millsville	3401101010	3%	87%	13%	1%	0%	16%	0%	7%
City of North Wildwood	3400902130	4%	74%	26%	11%	3%	1%	0%	0%
City of North Wildwood	3400902100	5%	85%	15%	7%	0%	0%	0%	7%
City of Ocean City	3400902030	3%	79%	21%	11%	20%	10%	0%	3%
City of Ocean City	3400902010	2%	54%	46%	17%	20%	3%	0%	1%
City of Ocean City	3400902012	1%	61%	39%	25%	2%	9%	0%	4%
City of Ocean City	3400902020	0%	71%	27%	16%	0%	0%	0%	0%
City of Ocean City	3400902028	0%	65%	35%	3%	4%	0%	0%	0%
City of Ocean City	3400902020	0%	85%	15%	13%	0%	0%	0%	0%
City of Ocean City	3400902030	1%	93%	7%	1%	0%	0%	11%	1%
City of Sea Isle City	3400902080	0%	71%	29%	7%	0%	0%	0%	0%
City of Wildwood	3400902150	0%	97%	63%	42%	17%	10%	0%	6%
Township of Dennis	3400902060	1%	97%	3%	0%	0%	0%	0%	0%
Township of Lower	3400902180	0%	77%	23%	1%	0%	21%	0%	0%
Township of Lower	3400902184	3%	75%	25%	3%	9%	5%	5%	2%
Township of Middle	3400902110	0%	87%	13%	5%	8%	0%	12%	6%
Township of Middle	3400902100	2%	97%	8%	4%	0%	0%	0%	0%
Township of Middle	3400902110	0%	76%	24%	3%	0%	0%	0%	1%
Township of Middle	3400902112	1%	99%	41%	0%	0%	41%	0%	22%
ESSEX COUNTY									
CENSUS TRACTS WITH DAMAGED HOMES									
Borough of Caldwell	3401302180	0%	88%	7%	0%	0%	0%	0%	2%
City of East Orange	3401300190	4%	15%	85%	66%	82%	8%	0%	10%
City of East Orange	3401301090	4%	24%	76%	11%	85%	8%	0%	6%
City of East Orange	3401301010	0%	62%	38%	18%	87%	0%	0%	9%
City of East Orange	3401301050	2%	31%	67%	29%	89%	5%	4%	4%
City of East Orange	3401301170	0%	37%	63%	29%	95%	2%	0%	2%
City of Newark	3401300750	10%	18%	82%	61%	27%	55%	6%	50%
City of Newark	3401300750	4%	17%	83%	52%	17%	47%	1%	46%
City of Newark	3401300760	4%	12%	88%	65%	0%	11%	2%	11%
City of Newark	3401300780	14%	51%	49%	27%	95%	0%	0%	17%
City of Newark	3401300790	0%	64%	36%	25%	100%	0%	0%	4%
City of Newark	3401300830	5%	31%	67%	49%	94%	4%	0%	2%
City of Newark	3401300440	4%	22%	78%	49%	87%	13%	0%	10%
City of Newark	3401300160	4%	29%	71%	31%	69%	30%	0%	29%
City of Newark	3401300450	3%	35%	68%	52%	100%	0%	0%	0%
City of Newark	3401300170	5%	32%	68%	57%	96%	8%	0%	14%

Municipality	Census Tract	% of Households with Overcrowding (more than 1.0 Person per Room) - % Owner-Occupied Households		% Renters Occupied Small Buildings (2-9 Units)	% Black Renters	% White (Non-Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters
		%	%					
City of Newark	3401300400	9%	15%	82%	57%	100%	0%	0%
City of Newark	34013001400	6%	33%	67%	51%	67%	17%	0%
City of Newark	34013002400	5%	45%	55%	44%	84%	4%	0%
City of Newark	34013003400	8%	46%	52%	32%	89%	3%	0%
City of Newark	34013001100	3%	54%	46%	30%	91%	7%	0%
City of Newark	34013004600	7%	37%	68%	44%	87%	3%	0%
City of Newark	34013002500	6%	44%	58%	38%	100%	3%	0%
City of Newark	34013001900	13%	22%	78%	38%	100%	4%	0%
Town of Kearny	34013014900	17%	44%	56%	24%	10%	48%	5%
Township of City of Orange	34013017800	3%	44%	56%	36%	24%	35%	4%
Township of Madison	34013012100	1%	34%	46%	36%	84%	3%	0%
Township of Irvington	34013011500	3%	49%	51%	28%	84%	2%	0%
Township of Irvington	34013012800	5%	37%	63%	43%	85%	11%	0%
Township of Irvington	34013012000	7%	32%	68%	42%	83%	10%	2%
Township of Irvington	34013012900	5%	35%	65%	48%	85%	18%	0%
Township of Irvington	34013012200	7%	17%	81%	50%	68%	8%	3%
Township of Irvington	34013012600	7%	42%	58%	39%	89%	6%	0%
Township of Montclair	34013012200	0%	39%	41%	26%	53%	2%	0%
Township of South Orange Village	34013017800	0%	99%	1%	0%	0%	0%	0%
Township of West Caldwell	34013021802	0%	74%	26%	1%	4%	4%	4%
Township of West Caldwell	34013021803	0%	88%	12%	4%	0%	0%	16%
Township of West Orange	34013018100	1%	88%	12%	3%	8%	11%	0%
Township of West Orange	34013017901	0%	91%	9%	0%	0%	0%	0%
Township of West Orange	34013017600	8%	41%	59%	37%	28%	32%	3%
Township of West Orange	34013017100	10%	41%	59%	32%	39%	42%	1%
Township of West Orange	34013017500	2%	69%	31%	14%	19%	8%	14%
Township of West Orange	34013017902	2%	65%	35%	11%	11%	2%	18%
Township of West Orange	34013017800	1%	87%	13%	1%	5%	11%	0%
HUDSON COUNTY		7%	34%	66%	51%	15%	32%	11%
CENSUS TRACTS WITH DAMAGED HOMES								42%
City of Bayonne	34017005100	3%	47%	53%	80%	42%	30%	12%
City of Bayonne	34017010800	8%	57%	43%	36%	21%	12%	11%
City of Bayonne	34017011400	3%	49%	51%	11%	9%	23%	0%
City of Bayonne	34017011600	5%	32%	68%	14%	20%	14%	1%
City of Bayonne	34017011200	3%	54%	46%	33%	1%	23%	5%
City of Bayonne	34017010100	6%	43%	57%	44%	14%	22%	7%
City of Bayonne	34017010600	5%	32%	68%	10%	1%	18%	7%
City of Hoboken	34017018800	0%	49%	51%	44%	0%	34%	0%
City of Hoboken	34017018900	1%	24%	76%	19%	1%	10%	1%
City of Hoboken	34017019100	2%	21%	79%	35%	4%	26%	8%
City of Hoboken	34017018200	1%	51%	47%	15%	0%	6%	2%
City of Hoboken	34017018800	0%	31%	67%	51%	0%	6%	7%
City of Hoboken	34017019000	6%	21%	79%	28%	15%	37%	0%
City of Hoboken	34017019300	1%	26%	74%	22%	3%	22%	6%
City of Hoboken	34017019500	1%	35%	65%	30%	1%	25%	8%
City of Hoboken	34017018400	5%	43%	57%	14%	1%	30%	4%
City of Jersey City	34017006400	6%	27%	73%	50%	4%	25%	17%
City of Jersey City	34017005600	5%	32%	68%	36%	12%	39%	4%
City of Jersey City	34017005900	4%	57%	43%	28%	42%	25%	16%
City of Jersey City	34017004000	10%	39%	61%	46%	33%	18%	31%
City of Jersey City	34017004700	3%	27%	73%	62%	24%	34%	6%
City of Jersey City	34017005802	0%	34%	66%	5%	0%	15%	16%
City of Jersey City	34017007500	8%	20%	80%	19%	7%	12%	33%
City of Jersey City	34017003500	4%	30%	70%	40%	7%	27%	17%
City of Jersey City	34017002200	5%	42%	58%	13%	0%	14%	14%
City of Jersey City	34017002700	3%	13%	87%	1%	4%	2%	71%
City of Jersey City	34017006700	6%	8%	92%	8%	69%	29%	4%
City of Jersey City	34017002400	1%	42%	58%	38%	9%	19%	8%
City of Jersey City	34017004600	4%	61%	39%	29%	18%	10%	39%
City of Jersey City	34017012700	4%	50%	50%	36%	4%	40%	1%
City of Jersey City	34017004800	4%	46%	54%	39%	22%	19%	41%
City of Jersey City	34017004000	3%	51%	49%	47%	55%	42%	0%
City of Jersey City	34017005300	17%	42%	58%	50%	81%	26%	0%
City of Jersey City	34017004500	4%	45%	55%	47%	78%	20%	2%

Municipality	Census Tract	% of Households with Overcrowding (more than 1.0 Person per Room) - Owner-Occupied Households		% Renters	% Renters in Occupied Small Buildings (2-9 Units)	% Black Renters	% White (Non-Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters	
		%	%							
City of Jersey City	3401300300	2%	39%	61%	5%	1%	16%	12%	12%	
City of Jersey City	3401300700	5%	20%	80%	44%	17%	36%	14%	32%	
City of Jersey City	34013004300	7%	37%	63%	23%	76%	32%	0%	15%	
City of Jersey City	34013007800	0%	3%	95%	16%	9%	49%	22%	46%	
City of Jersey City	34013005500	8%	42%	58%	45%	100%	1%	0%	12%	
City of Jersey City	34013002200	0%	40%	60%	45%	2%	22%	3%	19%	
City of Jersey City	34013004100	4%	27%	73%	17%	63%	24%	7%	29%	
City of Jersey City	34013004800	7%	32%	68%	30%	87%	21%	1%	7%	
City of Jersey City	34013005600	13%	30%	70%	56%	51%	16%	20%	14%	
City of Jersey City	34013002200	2%	26%	74%	46%	75%	13%	1%	12%	
City of Jersey City	34013005800	6%	42%	58%	35%	82%	15%	0%	12%	
City of Jersey City	34013007200	5%	40%	60%	42%	68%	20%	19%	20%	
City of Jersey City	34013007600	4%	30%	70%	2%	5%	9%	43%	6%	
City of Jersey City	34013006000	6%	30%	70%	56%	67%	30%	2%	30%	
Town of Harrison	34013018900	6%	27%	73%	42%	1%	26%	28%	20%	
Town of Harrison	34013017100	10%	34%	66%	57%	1%	42%	14%	40%	
Town of Kearny	34013012800	6%	50%	50%	39%	10%	46%	7%	33%	
Town of Secaucus	34013018800	0%	0%	100%	18%	0%	25%	15%	18%	
Town of Secaucus	34013019900	5%	70%	30%	13%	5%	9%	28%	13%	
Town of West New York	34013015801	0%	20%	80%	1%	2%	2%	31%	5%	
Town of West New York	34013015800	25%	6%	94%	34%	5%	96%	1%	96%	
Town of West New York	34013016000	21%	19%	81%	46%	4%	84%	0%	82%	
Town of West New York	34013015500	13%	15%	85%	53%	2%	90%	1%	87%	
Town of West New York	34013016400	20%	17%	83%	40%	7%	89%	0%	87%	
Town of West New York	34013017000	14%	16%	84%	39%	11%	90%	1%	88%	
Town of West New York	34013013000	17%	9%	91%	37%	10%	79%	4%	76%	
Township of North Bergen	34013014101	1%	55%	45%	6%	7%	26%	12%	23%	
Township of Weehawken	34013017800	0%	38%	62%	30%	4%	22%	7%	16%	
Township of Weehawken	34013018200	4%	59%	41%	47%	15%	25%	1%	21%	
Township of Weehawken	34013018000	8%	26%	74%	11%	6%	44%	9%	42%	
MIDDLESEX COUNTY		4%	67%	33%	45%	15%	39%	20%	25%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Carteret	34023001600	5%	52%	48%	26%	12%	44%	14%	21%	
Borough of Carteret	34023001700	1%	71%	27%	12%	35%	10%	24%	17%	
Borough of Carteret	34023001900	2%	59%	41%	13%	27%	30%	17%	21%	
Borough of Carteret	34023001500	3%	82%	18%	11%	0%	17%	19%	19%	
Borough of Carteret	34023001800	7%	71%	29%	14%	21%	44%	11%	10%	
Borough of Dunellen	34023004500	0%	95%	5%	4%	78%	0%	0%	0%	
Borough of Highland Park	34023001600	4%	64%	36%	20%	11%	13%	18%	11%	
Borough of Middletown	34023007910	0%	91%	7%	4%	47%	0%	0%	4%	
Borough of Sayreville	34023007100	0%	93%	7%	2%	10%	0%	0%	17%	
Borough of Sayreville	34023006900	2%	62%	38%	29%	7%	47%	0%	23%	
Borough of Sayreville	34023002200	2%	85%	12%	0%	0%	0%	10%	10%	
Borough of Sayreville	34023007000	2%	76%	24%	12%	9%	19%	0%	9%	
Borough of Sayreville	34023007103	6%	59%	39%	43%	18%	18%	17%	17%	
Borough of Sayreville	34023008001	2%	76%	24%	5%	6%	3%	0%	6%	
Borough of Sayreville	34023007800	1%	67%	33%	16%	2%	5%	1%	6%	
Borough of Sayreville	34023007103	1%	84%	12%	7%	4%	18%	10%	7%	
Borough of Sayreville	34023007402	1%	94%	6%	1%	19%	24%	0%	5%	
Borough of Sayreville	34023007202	1%	91%	9%	5%	4%	4%	0%	8%	
Borough of South River	34023006800	2%	72%	28%	15%	4%	24%	0%	13%	
City of New Brunswick	34023005300	4%	28%	72%	23%	30%	24%	10%	13%	
City of Perth Amboy	34023004000	11%	31%	68%	54%	7%	90%	0%	79%	
City of Perth Amboy	34023004300	9%	61%	39%	30%	21%	74%	0%	68%	
City of Perth Amboy	34023004900	4%	19%	81%	35%	13%	77%	1%	76%	
City of Perth Amboy	34023004100	2%	65%	35%	22%	20%	78%	0%	59%	
City of Rahway	34023009000	4%	59%	41%	12%	32%	1%	34%	3%	
City of South Amboy	34023007500	4%	59%	41%	20%	5%	12%	0%	7%	
Township of Aberdeen	34023001500	0%	85%	15%	7%	8%	33%	0%	13%	
Township of East Brunswick	34023007703	0%	93%	7%	4%	0%	0%	0%	6%	
Township of North Brunswick	34023006104	5%	66%	34%	8%	67%	6%	16%	9%	
Township of Old Bridge	34023007913	1%	94%	6%	0%	0%	9%	0%	6%	
Township of Piscataway	34023006613	0%	94%	6%	0%	0%	61%	0%	8%	
Township of South Brunswick	34023008404	1%	78%	22%	6%	16%	6%	25%	10%	

Municipality	Census Tract	% of Households with Overcrowding Issue (more than 1.0 Person per room) - % Owner-Occupied Households		% Renter Households	% Renters in Occupied Small Buildings (2-9 Units)	% Black Renters	% White (Non-Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters	
		%	%							
Township of South Brunswick	3402300405	1%	92%	4%	5%	4%	0%	12%	2%	
Township of Woodbridge	3402300901	0%	74%	26%	8%	8%	23%	28%	1%	
Township of Woodbridge	3402300805	1%	91%	7%	5%	0%	55%	0%	1%	
Township of Woodbridge	3402300401	1%	74%	26%	14%	12%	19%	2%	20%	
Township of Woodbridge	3402300301	3%	75%	23%	14%	18%	38%	7%	18%	
Township of Woodbridge	3402300902	1%	52%	48%	17%	13%	29%	3%	17%	
Township of Woodbridge	3402300300	3%	57%	43%	24%	29%	56%	4%	39%	
Township of Woodbridge	3402300402	0%	96%	4%	4%	0%	0%	0%	0%	
Township of Woodbridge	3402300302	6%	45%	55%	19%	11%	1%	73%	7%	
MONMOUTH COUNTY		2%	76%	24%	32%	17%	63%	4%	16%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Allenhurst	34025812403	0%	78%	22%	0%	7%	6%	0%	2%	
Borough of Atlantic Highlands	3402580400	1%	82%	18%	1%	0%	15%	0%	3%	
Borough of Atlantic Highlands	3402580200	1%	78%	22%	6%	3%	0%	4%	6%	
Borough of Avon-by-the-Sea	3402580400	1%	65%	35%	16%	0%	9%	0%	3%	
Borough of Avon-by-the-Sea	3402580801	0%	97%	3%	2%	0%	0%	0%	2%	
Borough of Belmar	3402580401	2%	43%	57%	18%	0%	24%	0%	13%	
Borough of Belmar	3402580402	2%	49%	51%	25%	1%	27%	4%	15%	
Borough of Belmar	3402580900	1%	62%	40%	16%	17%	20%	2%	9%	
Borough of Bradley Beach	3402580200	2%	44%	56%	16%	4%	19%	7%	11%	
Borough of Brickell	3402580400	0%	87%	13%	5%	0%	16%	7%	4%	
Borough of Deal	3402580300	1%	77%	23%	13%	7%	10%	0%	3%	
Borough of Highlands	3402580100	3%	73%	27%	5%	0%	13%	0%	4%	
Borough of Highlands	3402580900	0%	74%	26%	4%	3%	11%	2%	5%	
Borough of Interlaken	3402580704	10%	17%	83%	18%	29%	34%	0%	29%	
Borough of Keansburg	3402580100	6%	51%	49%	20%	8%	19%	0%	15%	
Borough of Keansburg	3402580100	1%	60%	40%	3%	7%	10%	0%	9%	
Borough of Keansburg	3402580601	2%	85%	15%	6%	0%	10%	0%	5%	
Borough of Keansburg	3402580200	1%	93%	8%	1%	9%	9%	0%	6%	
Borough of Keapport	3402580100	1%	55%	45%	19%	11%	14%	10%	11%	
Borough of Keapport	3402580300	3%	50%	50%	9%	5%	14%	0%	10%	
Borough of Little Silver	3402580500	0%	88%	12%	2%	4%	0%	0%	0%	
Borough of Little Silver	3402580420	0%	88%	12%	0%	0%	0%	0%	0%	
Borough of Little Silver	3402580400	0%	88%	12%	0%	0%	0%	0%	0%	
Borough of Matawan	3402580901	0%	74%	26%	14%	0%	0%	0%	2%	
Borough of Matawan	3402580200	4%	55%	45%	17%	20%	11%	13%	7%	
Borough of Monmouth Beach	3402580400	0%	82%	18%	5%	3%	6%	0%	1%	
Borough of Monmouth Beach	3402580500	1%	83%	17%	13%	10%	23%	4%	10%	
Borough of Monmouth Beach	3402580800	1%	91%	7%	0%	0%	0%	0%	1%	
Borough of Freeport City	3402580100	1%	60%	40%	14%	27%	13%	13%	9%	
Borough of Neptune City	3402580700	0%	52%	48%	12%	5%	6%	0%	12%	
Borough of Oceanport	3402580500	5%	44%	56%	18%	28%	21%	5%	17%	
Borough of Red Bank	3402580100	11%	35%	65%	28%	33%	40%	4%	37%	
Borough of Rumson	3402580300	0%	89%	11%	2%	0%	0%	0%	2%	
Borough of Rumson	3402580100	0%	84%	16%	1%	7%	0%	0%	0%	
Borough of Sea Girt	3402580200	0%	86%	14%	2%	0%	0%	0%	0%	
Borough of Spring Lake	3402580100	0%	93%	7%	2%	0%	0%	0%	1%	
Borough of Union Beach	3402580300	2%	83%	17%	2%	0%	25%	0%	6%	
Borough of Union Beach	3402580201	0%	90%	10%	1%	0%	14%	0%	3%	
Borough of West Long Branch	3402580202	0%	78%	22%	12%	0%	23%	0%	8%	
Borough of West Long Branch	3402580500	20%	47%	53%	24%	0%	47%	0%	38%	
City of Asbury Park	3402580700	1%	49%	51%	14%	3%	1%	0%	1%	
City of Asbury Park	34025807100	16%	27%	73%	17%	81%	16%	0%	11%	
City of Asbury Park	34025807100	2%	43%	57%	21%	69%	15%	0%	12%	
City of Long Branch	3402580600	9%	19%	81%	14%	47%	17%	0%	3%	
City of Long Branch	34025806100	1%	67%	33%	6%	4%	2%	0%	5%	
City of Long Branch	3402580800	10%	15%	85%	21%	17%	29%	2%	29%	
Township of Brick	34025711201	1%	95%	5%	1%	0%	0%	0%	0%	
Township of Middletown	3402580900	2%	86%	12%	1%	0%	0%	4%	10%	
Township of Middletown	3402580602	2%	94%	6%	1%	0%	33%	0%	9%	
Township of Middletown	3402580702	1%	71%	29%	0%	12%	6%	5%	3%	
Township of Neptune	3402580700	2%	97%	3%	0%	16%	28%	0%	6%	
Township of Neptune	34025807900	0%	75%	25%	10%	31%	10%	5%	3%	
Township of Neptune	34025807600	6%	34%	66%	26%	87%	7%	0%	6%	

Municipality	Census Tract	% of Households with Overcrowding Issues (more than 1.0 Person per Room) - % Owner-Occupied Households		% Renter Households	% Renters in Occupied Small Buildings (2-9 Units)	% Black Renters	% White (Non-Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters	
		%	%							
Township of Neptune	3402507200	1%	52%	45%	14%	67%	3%	0%	0%	
Township of Ocean	3402508600	0%	88%	12%	1%	6%	0%	0%	2%	
Township of Wall	3402508500	2%	71%	29%	3%	0%	9%	0%	4%	
OCEAN COUNTY		2%	82%	18%	25%	7%	76%	2%	14%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Barnegat Light	3402973010	0%	96%	4%	2%	0%	24%	0%	1%	
Borough of Bay Head	3402971200	0%	82%	12%	4%	0%	0%	0%	0%	
Borough of Beach Haven	3402973000	1%	81%	19%	0%	2%	0%	0%	0%	
Borough of Beachwood	3402974000	0%	79%	21%	0%	23%	23%	0%	15%	
Borough of Beachwood	3402972100	4%	80%	20%	1%	0%	7%	0%	1%	
Borough of Island Heights	3402972300	2%	75%	25%	4%	3%	0%	9%	1%	
Borough of Island Heights	3402971600	1%	79%	21%	2%	0%	0%	6%	1%	
Borough of Island Heights	3402974000	0%	89%	11%	2%	0%	0%	0%	0%	
Borough of Lumberton	3402972900	0%	94%	6%	1%	0%	0%	0%	0%	
Borough of Lumberton	3402973500	0%	91%	9%	0%	2%	0%	0%	1%	
Borough of Ocean Gate	3402972000	2%	73%	27%	0%	14%	6%	0%	4%	
Borough of Ocean Gate	3402973101	0%	74%	26%	15%	0%	9%	9%	7%	
Borough of Pine Beach	3402973000	0%	90%	10%	1%	0%	0%	0%	2%	
Borough of Point Pleasant	3402971700	0%	89%	11%	0%	0%	10%	0%	1%	
Borough of Point Pleasant	3402971010	3%	56%	44%	15%	0%	8%	0%	3%	
Borough of Point Pleasant	3402971400	0%	89%	11%	1%	0%	21%	0%	2%	
Borough of Point Pleasant	3402971100	0%	75%	25%	4%	0%	8%	0%	3%	
Borough of Point Pleasant	3402971200	1%	84%	16%	0%	0%	0%	0%	1%	
Borough of Point Pleasant	3402971300	0%	88%	12%	0%	0%	0%	0%	0%	
Borough of Seaside Heights	3402972800	4%	52%	48%	17%	5%	13%	0%	6%	
Borough of Ship Bottom	3402973000	2%	81%	19%	0%	0%	10%	0%	2%	
Borough of Tuckerton	3402972000	2%	59%	41%	30%	0%	7%	0%	2%	
Borough of Tuckerton	3402973610	1%	87%	13%	3%	0%	0%	0%	2%	
Borough of Tuckerton	3402973610	1%	87%	13%	0%	0%	11%	0%	6%	
Township of Barnegat	3402973104	0%	78%	22%	3%	0%	25%	0%	7%	
Township of Barnegat	3402973000	0%	89%	11%	3%	0%	14%	0%	2%	
Township of Barnegat	3402973402	2%	81%	19%	7%	0%	11%	9%	6%	
Township of Berkeley	3402973101	0%	91%	9%	0%	1%	15%	0%	3%	
Township of Berkeley	3402973102	1%	90%	10%	1%	0%	16%	0%	6%	
Township of Berkeley	3402972013	0%	94%	6%	1%	0%	0%	7%	2%	
Township of Brick	3402971400	0%	100%	0%	0%	0%	0%	0%	0%	
Township of Brick	3402971400	0%	100%	0%	0%	0%	0%	0%	0%	
Township of Brick	34029714200	0%	79%	21%	2%	25%	8%	0%	6%	
Township of Brick	34029711800	1%	84%	16%	2%	0%	0%	0%	1%	
Township of Brick	34029714100	0%	97%	3%	0%	0%	0%	0%	1%	
Township of Brick	3402971300	1%	69%	31%	7%	2%	21%	8%	10%	
Township of Brick	34029713100	0%	93%	7%	0%	0%	7%	0%	3%	
Township of Brick	34029711600	1%	96%	4%	0%	0%	0%	0%	5%	
Township of Brick	34029713500	0%	93%	7%	0%	0%	0%	0%	4%	
Township of Brick	3402971310	0%	84%	16%	1%	0%	0%	0%	3%	
Township of Englewood	3402973600	3%	88%	12%	3%	0%	10%	13%	7%	
Township of Lacey	3402973210	3%	94%	6%	0%	0%	43%	0%	4%	
Township of Lacey	3402973104	2%	80%	20%	0%	0%	28%	0%	3%	
Township of Lacey	3402973210	1%	91%	8%	0%	0%	9%	0%	5%	
Township of Lacey	3402972001	0%	87%	13%	0%	0%	0%	0%	0%	
Township of Little Egg Harbor	3402973610	0%	85%	15%	1%	0%	24%	0%	1%	
Township of Little Egg Harbor	3402973601	0%	89%	11%	7%	0%	0%	0%	1%	
Township of Stafford	3402973610	0%	88%	12%	4%	0%	15%	0%	7%	
Township of Toms River	34029723400	3%	92%	8%	0%	0%	0%	0%	6%	
Township of Toms River	3402972301	1%	81%	17%	7%	0%	13%	0%	4%	
Township of Toms River	34029723401	0%	89%	11%	2%	0%	0%	4%	4%	
Township of Toms River	3402972600	0%	89%	11%	4%	0%	12%	0%	8%	
Township of Toms River	3402972300	4%	79%	21%	2%	0%	24%	1%	9%	
Township of Toms River	3402972701	0%	88%	12%	0%	0%	13%	0%	5%	
Township of Toms River	3402973300	1%	95%	5%	0%	0%	24%	0%	6%	
UNION COUNTY		9%	60%	40%	51%	29%	32%	4%	35%	
CENSUS TRACTS WITH DAMAGED HOMES										
Borough of Garwood	3403908800	1%	88%	14%	0%	0%	0%	9%	2%	

Municipality	Census Tract	% of Households with Overcrowding (more than 1.0 Person per % Owner-Occupied Household)		% Renter Households	% Renters in Small Buildings (2- 9 Units)	% Black Renters	% White (Non- Hispanic) Renters	% Asian & Pacific Islander Renters	% Hispanic Renters
		%	Count						
Borough of Mountaineer	34019016500	1%	91%	9%	5%	0%	9%	40%	3%
Borough of Mountaineer	34019016400	0%	90%	10%	4%	0%	7%	5%	4%
Borough of Roselle	34019014200	7%	70%	30%	12%	31%	35%	11%	19%
Borough of Roselle	34019014100	1%	53%	47%	27%	50%	26%	1%	23%
Borough of Roselle	34019014300	2%	76%	22%	11%	69%	8%	6%	16%
City of Elizabeth	34019010500	29%	31%	69%	62%	14%	71%	0%	71%
City of Elizabeth	34019010800	25%	34%	68%	53%	4%	68%	5%	65%
City of Elizabeth	34019010600	37%	27%	73%	65%	30%	42%	0%	47%
City of Elizabeth	34019010900	46%	26%	74%	47%	18%	68%	7%	64%
City of Elizabeth	34019010400	19%	19%	81%	42%	43%	56%	0%	57%
City of Linden	34019013400	2%	63%	37%	26%	14%	7%	8%	14%
City of Linden	34019013200	4%	56%	44%	28%	14%	60%	0%	44%
City of Linden	34019013300	12%	44%	56%	45%	22%	15%	4%	17%
City of Linden	34019014600	11%	51%	49%	36%	77%	8%	0%	10%
City of Linden	34019013500	5%	56%	48%	27%	10%	29%	0%	19%
City of Plainfield	34019019100	1%	98%	2%	0%	52%	0%	0%	8%
City of Rahway	34019016800	6%	44%	56%	8%	54%	16%	4%	18%
City of Rahway	34019018000	5%	48%	52%	17%	78%	3%	2%	9%
City of Rahway	34019019000	2%	47%	53%	36%	22%	36%	8%	11%
Town of Westfield	34019016700	1%	75%	25%	14%	0%	8%	2%	3%
Town of Westfield	34019016600	3%	57%	43%	29%	13%	9%	7%	7%
Township of Clark	34019011000	4%	27%	73%	9%	1%	6%	0%	5%
Township of Hillside	34019012200	8%	72%	28%	20%	64%	6%	0%	3%
Township of Hillside	34019012400	7%	74%	26%	19%	45%	30%	0%	22%
Township of Union	34019012700	11%	61%	37%	29%	75%	12%	1%	9%

Note: Only includes Census Tracts in Municipalities with more than
Source: US Census American Community Survey, 2006-2011 5-year

New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT
BLOCK GRANT – DISASTER RECOVERY

Public Law 113-2; January 29, 2013
FR-5696-N-01; March 5, 2013
FR-5696-N-06; November 18, 2013
FR-5696-N-11; October 21, 2014



ACTION PLAN AMENDMENT NUMBER 11 SUBSTANTIAL AMENDMENT FOR THE THIRD ALLOCATION OF CDBG-DR FUNDS

PUBLIC COMMENT PERIOD: December 16, 2014 – January 15, 2015
DATE SUBMITTED TO HUD: April 10, 2015
DATE APPROVED BY HUD:

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Charles A. Richman
Acting Commissioner



101 South Broad Street, P.O. Box 800
Trenton, NJ 08625-0800



**EQUAL HOUSING
OPPORTUNITY**

This Substantial Amendment to the Action Plan (as proposed) was made available for public review at www.state.nj.us/dca/. It was made available in English and Spanish.

For those who otherwise could obtain a copy of this Substantial Amendment to the Action Plan, the Department of Community Affairs made copies available upon request. Requests for copies were directed to the following address:

New Jersey Department of Community Affairs
1st Floor Information Desk
101 South Broad Street
Trenton, New Jersey 08625

The State considered comments received in writing or via email on the proposed Substantial Amendment to the Action Plan. Comments on the proposed Plan were accepted through January 15, 2014 at 5 p.m., Eastern Standard Time. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.nj.gov, or to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823. A summary of all comments received and written responses is included in this final version of this Substantial Amendment submitted to HUD for approval.

While HUD requires that the State hold at least one public hearing on the proposed Action Plan Amendment, the State held two public hearings. The dates, locations and times of the hearings are:

- January 6, 2015: Ocean County College, Jay and Linda Grunin Center for the Performing Arts, 1 College Drive, Building 12, Toms River, New Jersey, 08753 (4-7 pm)
- January 7, 2015: Bergen Community College, Moses Center, 400 Paramus Road, Paramus, New Jersey 07652 (4-7 pm)

Per HUD requirements, the State has synthesized and responded to the comments it received in this final version of this Action Plan Amendment submitted to HUD for approval.

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SECTION 1: INTRODUCTION

It has been more than two years since Superstorm Sandy made landfall and devastated homes, businesses, communities and infrastructure across New Jersey. Thanks to the strong ongoing collaboration at all levels of government, the contributions of philanthropy, volunteers and stakeholders and, most importantly, the hard work and perseverance of New Jersey residents, the State has made substantial strides in recovering from the most costly disaster in its history. Together, we are meeting recovery challenges and building back better and stronger.

Since the outset of recovery, the State has remained committed to approaching disaster recovery holistically. To achieve this vision, the State continues to pursue and leverage available federal, state, private and philanthropic recovery funding to realize critical recovery initiatives across all storm impacted sectors (housing; economic; infrastructure; community finance; health and social services; and natural and cultural resources) and to maximize resources for recovering New Jerseyans. By addressing all sectors simultaneously, recovery progress in one sector is bolstered by progress in the others. Some examples of larger initiatives in the housing, economic and infrastructure sectors are described below.

Housing

Housing remains a central priority in the State's recovery. State agencies are administering more than \$1.5 billion in recovery programs to help homeowners rebuild and to repair or replace affordable rental housing stock damaged or destroyed during Sandy.

The State has seen considerable progress over the last year in the largest housing recovery program, the Reconstruction, Rehabilitation, Elevation, and Mitigation or RREM program. The Department of Community Affairs (DCA) increased staffing and took over the day-to-day program administration, which meaningfully accelerated the program's pace. The Quarterly Performance Report submitted to the U.S. Department of Housing and Urban Development (HUD) in August 2014 showed that DCA disbursed more RREM funding during the second quarter of 2014 (\$97.3 million) than in any prior quarter. DCA then improved on that mark, disbursing more than \$103 million in RREM funds during the third quarter of 2014.

More than 8,800 RREM applicants have received preliminary award letters, including approximately 3,300 households who were moved off the program waitlist in June 2014 after the State received the second round of CDBG-DR funding from HUD. More than 4,500 homeowners have signed RREM grant agreements for

rebuilding. Of those, more than 3,700 applicants are in active construction or have completed construction on their homes. With the addition of this third round of CDBG-DR funds, DCA projects that it will serve all individuals on the RREM waitlist.

Beyond RREM, the State is assisting homeowners through the Hazard Mitigation Grant Program (HMGP) Elevation Program administered by DEP. Working closely with FEMA, DEP has secured FEMA approvals for more than 1,000 program applicants for elevations. DEP also has worked to streamline the Elevation Program by limiting the number of documents required to support reimbursement requests and accelerating environmental and historic reviews. Additionally, DEP streamlined the reimbursement policy for the Elevation Program to allow homeowners to request that grant proceeds be paid directly to the contractor. Homeowners do not have to front the \$30,000 for the contractor and be reimbursed by the HMGP grant.

State recovery programs focused on repairing or replacing damaged rental housing also continue to move forward. As of November 2014, through the Fund for Restoration of Multi-Family Housing (FRM), the New Jersey Housing and Mortgage Finance Agency (HMFA) had obligated nearly \$170 million across 36 projects that will repair or replace nearly 3,000 total units of rental housing, of which 2700 units will be affordable rental housing. Through November 2014, 23 FRM projects are actively under construction, which will create more than 2,000 units of rental housing. One project has completed construction, providing a total of 51 units of affordable housing. FRM has a robust pipeline, which will be addressed, at least in part, through \$200 million in second round funding as well as monies that will be allocated to the program through the third funding round.

Additionally, approximately \$23 million has been obligated through the Sandy Special Needs Housing Fund (SSNHF) for projects that will create nearly 250 affordable permanent supportive housing beds for special needs populations, which faced unique challenges following Sandy. As of November 2014 construction has begun on 10 projects. As with FRM, second- and third-round CDBG-DR funds committed to SSNHF will allow the State to continue to commit funds to important projects to develop housing for special needs individuals and households.

While thousands of homes and rental units are repaired, many Sandy-impacted households have had to juggle mortgage payments, rent, and repair costs. The State implemented two recovery programs to address this need. DCA awarded more than 18,500 homeowners \$10,000 grants through the Homeowner Resettlement Program. To receive funding, homeowners committed to residing in their storm-affected communities for at least three years, combating the harm of post-storm out-migration seen in other disasters. The New Jersey Department of Human Services also has distributed close to \$102 million through the Working Families Living Expenses Voucher Program (also called SHRAP), which provides assistance to

homeowners and renters of up to \$15,000 per household to cover mortgage, rent and utility payments, and also to replace necessary household items. The program has benefitted approximately 24,500 individuals. Although the program ceased accepting new applications over the summer, eligible households will continue to receive benefits through March 2015, at which time all program funds likely will be expended. Both programs – Resettlement and SHRAP – supplemented funding that many households received through FEMA's Individual Assistance program.

Economic

Superstorm Sandy affected thousands of businesses across New Jersey. The storm caused significant physical damage as well as short-term and long-term business operations losses. To address these impacts, EDA implemented the Stronger NJ Business Grants Program and the Stronger NJ Business Loans Program. The Stronger New Jersey Grants program provides grants of up to \$50,000 for working capital or construction costs to eligible businesses. Through September 2014, 839 applications had been approved totaling \$41.2 million in funds obligated, and nearly \$33.5 million in disbursements under this program. The Stronger New Jersey Loan program provides loans of up to \$5 million for new construction, renovation and expansion to spur economic development in storm-impacted communities. Through September 2014, 54 applications had been approved, totaling nearly \$42.1 million in funds obligated and nearly \$10.7 million in disbursements under this program, with an additional 6 applications totaling over \$9.1 million pending environmental review.

EDA also is assisting hard hit communities through the Neighborhood and Community Revitalization (NCR) Program. The program includes three initiatives: (i) the Development and Improvement Projects initiative that provides grants up to \$10 million for catalytic, transformative and innovative projects in hard hit communities; (ii) the Streetscape Revitalization initiative which provides grants up to \$1.5 million to support main street revitalization initiatives such as streetscapes, sidewalks and other upgrades to commercial areas; and (iii) funding for Community Development Financial Institutions to support micro-lending, building off EDA's existing Loans to Lenders program. All funding under these initiatives has been obligated.

Infrastructure and Resilience Initiatives

Sandy highlighted vulnerabilities in the State and underscored the need to build more resilient facilities and communities. State agencies have incorporated strategy and planning throughout the recovery process to address these vulnerabilities and rebuild better and more resilient. This has been done by, among many other things, establishing enhanced rebuilding standards, allocating funding for critical recovery

planning, and aggressively pursuing available resources to harden critical infrastructure. Some of the larger infrastructure initiatives are described below.

Energy Resilience

Following Sandy, the State partnered with the federal government to study New Jersey's energy vulnerabilities and identify opportunities to leverage commercially available technologies to address back-up power generation needs at critical facilities. New Jersey is encouraging the use of innovative technologies, which combine energy efficiency, cleaner energy and enhanced resilience. The State announced \$40 million in HMGP Energy Allocations to municipalities, counties and critical facilities that can support a variety of alternative energy solutions – microgrids, solar power with battery back-up, and natural gas-powered emergency generators, among others – so they can operate even if the power grid fails.

The State also established the New Jersey Energy Resilience Bank, a first-of-its-kind in the nation energy financing initiative, capitalized with \$200 million of second round CDBG-DR funds. The Energy Bank will provide financing to critical facilities to invest in resilient distributed energy resource technologies that will allow the facilities to continue to operate when the power grid fails. These technologies should mitigate many of the severe impacts that occur following a major outage. The initial Energy Bank funding product, which launched in October 2014, was tailored to assist water and wastewater treatment plants. Subsequent funding rounds are expected to benefit other critical facilities such as hospitals and long-term care facilities, shelters, and transportation assets.

To address the liquid fuel shortages experienced during Sandy, the State formulated a multi-pronged approach. The State established a \$10 million HMGP-funded initiative providing grants to retail fuel stations along key evacuation routes for backup generators or quick connect devices that allow a station to quickly connect to a portable generator. The New Jersey Office of Emergency Management also procured a cache of portable generators that are strategically positioned across the State and can be mobilized in the time of emergency to power, among other critical facilities, retail fuel stations. To address longer-term supply issues, the New Jersey Office of Homeland Security and Preparedness partnered with the U.S. Department of Homeland Security on a detailed assessment of the State's liquid fuel supply and distribution system to explore ways to enhance resilience. The joint assessment is ongoing.

Transportation

Sandy's strong storm surge and high winds wreaked havoc on New Jersey's roads, bridges and transit systems. In rebuilding, the State has incorporated best practices

and a layered approach to hazard mitigation to make transportation infrastructure less susceptible to future storm damage.

Rebuilding Route 35 is one example of the types of layered mitigation projects being implemented in New Jersey. The State is installing a two-foot thick stone-and-asphalt roadway, providing a more stable road and smoother driving surface. A new storm-water drainage system has been designed to handle 25-year storms and will feature nine pump stations and treatment facilities to filter and purify the storm water prior to discharge into Barnegat Bay. In addition, the State has undertaken the installation of more than four miles of steel sheeting – funded by the Federal Highway Administration – to further protect Route 35 and surrounding communities. The steel sheeting project is expected to be completed by the middle of next month, and will be incorporated into a dune system as part of U.S. Army Corps' engineered beach project. In addition to protecting the road infrastructure, these measures also provide increased protection for the surrounding communities.

On the transit side, more than \$2 billion is being invested to enhance resilience. In September 2014, the State was awarded \$1.276 billion by the Federal Transit Administration to fund five projects designed to enhance energy resilience and harden NJ Transit key infrastructure assets. One of the projects – “NJ TransitGrid” – will be a first-of-its-kind microgrid capable of providing highly reliable power to support regional transit services even when the power grid is compromised. In addition, NJ Transit is pursuing other resilience initiatives for its system, including: raising substations in flood prone areas; building new storage, service, and inspection facilities; and implementing various flood control strategies for vulnerable facilities.

Water and Wastewater Treatment Plants

To address impacts of Superstorm Sandy on water and wastewater facilities, the State will devote \$229 million of recovery funding through the U.S. Environmental Protection Agency to resilience initiative. These funds, administered through the State Revolving Fund programs, will modernize and improve these critical facilities, including through projects aimed at preventing future sewage overflows. The SAIL Bridge Loan Program will assist with the financing for projects to repair Sandy damaged infrastructure and improve the resiliency of Clean Water and Drinking Water Systems. Additionally, Sandy NJEIFP Loans (with principal forgiveness up to 18%) are available for environmental infrastructure projects to improve the resilience of Sandy damaged systems in future natural disasters. Recognizing that the demand may exceed available funds, resilience projects will also receive funding priority in the Traditional SFY2015 NJEIFP, subject to the availability of funds.

The State also has sought to leverage other funding sources to support these and other critical facilities. As detailed above, the State is targeting Sandy-impacted

water and wastewater facilities in the first round of funding through the New Jersey Energy Resilience Bank. Additionally, the State, primarily through the New Jersey Office of Emergency Management, has sought to maximize the impact of mitigation funding available through Section 406 of the federal Stafford Act. Section 406 mitigation awards have been incorporated into approximately 87 percent of New Jersey's large FEMA Public Assistance projects (i.e., projects over \$500,000) – an unprecedented figure. In the most significant example of this effort, this past summer the State secured a \$260 million FEMA Public Assistance Section 406 mitigation award – the largest mitigation award in FEMA history – to incorporate storm-hardening measures and energy resilience at the Newark wastewater treatment plant operated by the Passaic Valley Sewerage Commission, which serves more than two million customers in New Jersey and New York.

Flood Protection

Approximately 3.8 million New Jersey residents live in the flood plain and are susceptible to flooding. The State's plan to address this flood risk includes enhancing building standards, studying both the cause of flooding and cost-effective, practical solutions to mitigate the risk, and funding initiatives to implement identified solutions.

When Sandy struck, many of the FEMA flood maps for the State's coastal areas were more than two decades old and did not reflect present day risks. Consequently, in January 2013 the State adopted by emergency regulation the FEMA Advisory Base Flood Elevations in order to incorporate the best available science and data allowing our residents to better mitigate damage from future flood events, avoid higher flood insurance costs, and begin the rebuilding process without waiting for the FEMA flood map regulatory process to run its course. Federal agencies subsequently adopted this standard for all reconstruction activities funded by the Disaster Relief Appropriations Act of 2013.

To evaluate New Jersey's flooding vulnerabilities, the State collaborated with the U.S. Army Corps of Engineers on a \$20 million comprehensive study funded through the Disaster Relief Appropriation Act of 2013. In addition, DEP engaged six universities to devise flood mitigation strategies for particularly flood-prone communities located near the Hudson River, Hackensack River, Arthur Kill, Barnegat Bay and Delaware Bay. The studies focus on repetitive flooding regions that are not already being addressed by current or planned U.S. Army Corps projects and incorporate local perspective and data.

DEP and the Army Corps also are working together to advance beach and dune construction projects that will reduce risk to life, property and infrastructure by rebuilding 44 miles of New Jersey coastline – from Cape May to Sandy Hook – providing the State with the most comprehensive and continuous coastal protection

system it has ever had at a cost of more than \$1 billion. Many of the previously approved but unconstructed projects are slated to begin construction in the next few months.

The State continues to make substantial progress in DEP's Blue Acres program, which acquires properties in flood-prone areas in order to remove residents from harm's way and, through the creation of open space, enhance natural protections against future severe weather events. As of October 2014, approximately 500 voluntary buyout offers have been made, and 317 willing sellers have accepted. The State continues to evaluate homes located in repetitive flooding communities. The buyouts program also serves as one of many examples in which the State has leveraged multiple funding sources to maximize resources for critical recovery initiatives. Thus far, New Jersey has leveraged funding through HMGP, CDBG, and the federal Natural Resource Conservation Service, as well as State monies, to purchase properties in flood-prone areas.

DEP also is moving forward on two large-scale flood mitigation projects in the Meadowlands region and along the Hudson River. Both projects were selected by HUD and funded through HUD's Rebuild by Design (RBD) initiative. Working with HUD, our local communities, and stakeholders, DEP will focus on scaling these projects to available funding to realize flood protection measures consistent with the vision in the RBD project submissions. These RBD projects are discussed in more detail in Action Plan Amendment No. 12.

Finally, DEP continues to evaluate and fund other critical flood protection initiatives leveraging various funding sources, including State funds, and funds from HUD, EPA, FEMA, and the U.S. Department of Interior, among others. These initiatives will continue to focus on critical risk reduction measures, which include, among other things, addressing flood risks posed by coastal lakes and inland waterways, enhancing storm water management systems, and incorporating both man-made flood barriers and nature-based solutions where appropriate.

All of these programs and initiatives are only a portion of the numerous ongoing recovery efforts in New Jersey aimed at continuing to bring much-needed relief to residents, businesses and communities, and realizing New Jersey's vision of a holistic approach to disaster recovery. Without question, developing and expediently implementing more than 80 recovery programs and initiatives has had a tangible, visible impact in the State. There has been clear and substantial progress in the two years since Sandy. Nevertheless, a full recovery from Sandy will take years and much work remains to be done.

Substantial Amendment to the Action Plan

On October 16, 2014, HUD issued Federal Register Notice FR-5696-N-11 (effective October 21, 2014) which allocated \$881,909,000 of third round CDBG-DR funds to New Jersey. Of that total, \$380 million must be expended in connection with two projects selected by HUD through HUD's Rebuild by Design (RBD) initiative. The RBD projects are described in detail in Action Plan Amendment No. 12 to New Jersey's CDBG-DR Action Plan.

This Substantial Amendment sets forth how the State will allocate the remaining \$501,909,000 of third round CDBG-DR funds. Various laws and regulations apply to the use of third round CDBG-DR funds, including that at least 80% of aggregate CDBG-DR funding allocated to New Jersey under the federal Disaster Relief Act of 2013 be spent within the nine "most-impacted" counties as determined by HUD (i.e., Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union Counties). And as with other CDBG-DR funding rounds, unmet recovery needs far exceed available resources, requiring difficult choices and a balancing of diverse interests.

The third round funds also likely will be the last allocation of CDBG-DR funds to New Jersey through the Sandy Supplemental for recovery programs. The remaining \$1 billion of CDBG-DR funds not yet allocated by HUD will be disbursed through the National Disaster Resilience Competition. New Jersey is one of 67 eligible applicants for the competition, and it is notable that at least \$181 million of competition funds must be allocated between New Jersey, New York and New York City. More information regarding the Competition is available [here](#).

Because this likely will be the last CDBG-DR allocation for New Jersey recovery programs, the State has limited discretion in how third round funding is allocated. There are approximately 2,000 homeowners still on the RREM Program waitlist, and those households must be served. Funding also is needed for important rental housing initiatives and to satisfy an agreement reached between the State, HUD and certain stakeholder groups regarding funding levels for the programs. Consequently, it is anticipated that unmet housing needs will exhaust the State's third round funding allocation.

Per Federal Register Notice FR-5696-N-11, to draw down third round CDBG-DR funds the State must prepare a substantial amendment to its Action Plan updating relevant portions of its unmet needs assessment and describing how third round CDBG-DR funds will be used to respond to Sandy-related unmet needs. In this Substantial Amendment:

- Section 2 updates the housing unmet needs assessment in the State's Action Plan, as third round funds addressed pursuant to this Amendment will only

be allocated to housing programs. The needs assessment is based on available data and is subject to change. This Section also will address unmet needs of the Port Authority of New York and New Jersey, as required by FR-5696-N-11.

- Section 3 describes how third round CDBG-DR funds will be apportioned across existing State CDBG-DR funded housing programs, exclusive of funding expressly designated by HUD for the RBD projects which is addressed in Action Plan Amendment No. 12.
- Section 4 sets out a performance schedule with respect to the use of third round CDBG-DR funds.
- Section 5 describes the State's outreach efforts and public comment process with respect to this Amendment.

This document serves as an amendment to New Jersey's Action Plan. All sections of the Action Plan, as modified and updated by amendments 1 – 10, remain in effect unless otherwise noted herein.

SECTION 2: UPDATED IMPACT AND UNMET NEEDS ASSESSMENT

As set forth in Section 3 of this Substantial Amendment, third round CDBG-DR funds not expressly committed to HUD's Rebuild by Design initiative will be allocated exclusively to housing programs. As a result, this section updates the housing unmet needs assessment in the State's Action Plan. Additionally, this Section addresses the unmet needs of the Port Authority of New York and New Jersey, as required by FR-5696-N-11.

2.1 Housing

New Jersey's Action Plan prepared in March 2013 estimated a total unmet housing need of \$2,504,993,992. The assessment was based on FEMA Individual Assistance data from March 2013 indicating that approximately 40,500 homeowners' primary residences and 15,600 rental units sustained "severe" or "major" damage from the storm, as those terms are defined by HUD.

The State has committed to housing initiatives approximately \$2,077,000,000 (or 63 percent) from the first two rounds of CDBG-DR funds (including \$145 million of first tranche CDBG-DR funds that were initially allocated for economic programs but later were moved to housing programs with HUD approval). Even with this significant commitment of funding to the housing sector, unmet housing needs in New Jersey remain significant.

2.1.1 Needs of Homeowners

A. RREM & Resettlement Programs

The Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program and the Homeowner Resettlement Program are the State's primary CDBG-DR funded recovery programs for homeowners. Thus far, the State has allocated \$1.1 billion of CDBG-DR funds to the RREM Program to help homeowners reconstruct, rehabilitate and elevate their homes, and to incorporate mitigation measures.

More than 8,800 RREM applicants have received preliminary award letters, including approximately 3,300 households who were moved off the waitlist in June 2014 after the State received access to second round CDBG-DR funds. Many of those applicants are now working toward completion of grant agreements. As of October 2014, slightly more than 4,500 homeowners had signed grant agreements. Of those, about 3,700 applicants are in active construction or have completed construction.

As Table 2-1 shows, more than 2,000 homeowners remain on the RREM waitlist. These are all non-LMI households; all LMI households in the program were funded through the first two RREM funding rounds. Given the current average RREM grant award, driven primarily by rising costs of home elevations as a result of demand for that service, unmet needs remain substantial.

Table 2-1: Summary of Homeowner Program Allocations and Existing Unserved Needs

Program	Remaining Applicants on RREM Waitlist	Average RREM Award ^a	Excess/(Shortfall) ^b
RREM	2,031	\$124,000	(\$251,844,000)

^a This average award is as of October 30, 2014, and reflects the impact of private insurance, U.S. Small Business Administration (SBA) loans and other funding sources that are accounted for in the State's duplication of benefits analyses performed to ensure that CDBG-DR funds only are provided to address unmet needs.

^b These figures exclude program delivery costs.

The State prioritized funding in the RREM Program by severity of damage sustained to the home as a result of the storm. Homes that sustained substantial damage (i.e., damage equaling more than 50% of the home's pre-storm value) received priority, followed then by applicants whose homes sustained "severe" or "major" damage, as those terms are defined by HUD. With the first two RREM funding allocations, the State has issued preliminary awards to most eligible applicants whose homes sustained substantial damage. Therefore, most third round funds are expected to benefit applicants with "severe" or "major," but not substantial, damage.

The comparatively lesser amount of physical damage to homes of many third round applicants may put some downward pressure on average RREM grant award amounts, but that will be more than offset by rising costs of elevations given demand and other factors. The State expects that the average RREM award will increase over time. Increases in the size of grant awards is already evident in recent grant awards, as the \$124,000 average award is already nearly \$20,000 more than the average grant award as of January 2014.

Calculating unmet need based on program demand likely undervalues the reconstruction and rehabilitation needs of homeowners. It excludes the need of RREM Program applicants whose applications could not be funded because the applicants could not meet program eligibility criteria (e.g., second homeowners who, by federal rule, cannot receive CDBG-DR assistance). It also does not account for instances where unmet rehabilitation or reconstruction needs exceed the \$150,000 RREM grant and other recovery funding resources available to a homeowner. Per federal regulations and the approved RREM Program requirements, if a homeowner's reconstruction needs exceeded the maximum available \$150,000 through the RREM grant, funding to cover the difference must be identified by the applicant before CDBG-DR funds will be invested in the rebuilding project. Philanthropic dollars committed through a "gap funding" program administered by the Community Development Financial Institution New Jersey

Community Capital, with initial support of \$15 million from the American Red Cross and the Superstorm Sandy New Jersey Relief Fund, was one source that was leveraged by LMI homeowners to address funding gaps. Other funding sources, including private loans, may be available for housing construction needs above the maximum \$150,000 RREM grant for those who could qualify.

Finally, the State allocated \$215 million of first round CDBG-DR funds to the Homeowner Resettlement Program. This program provided \$10,000 grants to more than 18,500 households for various non-construction storm-related expenses. To receive a grant, applicants had to agree to continue to reside in their communities for at least three years after Sandy, combating the harm of out-migration from hard hit communities that occurred in other major disasters.

B. LMI Homeowners Rebuilding Program

DCA undertook extensive outreach in connection with its homeowner programs in areas impacted by Superstorm Sandy, emphasizing outreach to affected LMI communities. Among other things, during the more than two-month application period for the RREM program, LMI neighborhoods were canvassed with flyers and door hangers in many Sandy-impacted towns, including Atlantic City, Carteret, Jersey City, Keansburg, Little Egg Harbor Township, Long Branch, Union Beach and Wildwood. DCA also advertised the RREM program in newspapers and on radio stations that serve LMI and other communities. In addition, DCA reached out to a diverse group of partner organizations, including the long-term recovery groups in each of the nine most-impacted counties, which assist low- and moderate-income families affected by Superstorm Sandy. DCA also partnered with mayors and local officials to provide recovery information to affected communities, and numerous mobile cabinets also were held in various impacted communities. These are some examples of the considerable outreach prior to and during the more than two-month RREM application period. The RREM program also heavily weighted funding towards eligible LMI households, with 70 percent of first tranche program funding reserved for LMI households, and all remaining LMI households deemed eligible were preliminarily approved for awards in the second RREM funding round.

The State remains committed to providing assistance to those households with the most limited financial resources and significant rebuilding needs. Despite DCA's extensive outreach efforts with respect to the RREM program, the State wanted to ensure that vulnerable LMI households eligible for RREM assistance are served. To do so, the State allocated \$40 million of second tranche CDBG-DR funds to target LMI households that may have been eligible for RREM assistance but did not submit an application during the RREM application period, of which \$10 million will be initially reserved for households in manufactured housing. The \$10 million initially reserved for owners of manufactured housing units will provide grants of up to

\$150,000 per household to repair, replace, mitigate and or elevate the manufactured housing unit. This assistance may be used in one of several ways. If the existing site remains viable, the owner may rehabilitate or replace the manufactured home on the same site. If it is not feasible to rehabilitate or replace the home on the same site, the owner may use the assistance to either purchase a new manufactured home and place it on a new site or acquire an existing mobile home or acquire and rehabilitate an existing manufactured home on a new site. The program will allow for reimbursement for eligible expenses to the extent permitted by HUD.

Since announcing the program, the State has worked with HUD and housing stakeholder groups to develop an outreach strategy for the program. Among other things, outreach will employ the expertise of community based organizations familiar with the needs of their communities, and will promote a "door-to-door," grassroots approach to familiarizing eligible households with the program. At that same time, to further address the need for supportive services such as financial assistance and access to available community resources, the State has established a housing counseling program, which will assist homeowners interested in seeking funding through the LMI Homeowners Rebuilding Program, as well as participants in various other CDBG-DR funded programs. Outreach for the LMI Homeowners Rebuilding Program is currently underway and the application period likely will open in early January.

C. Buyouts

Targeted buyouts of clusters of homes in repetitive flood loss areas are also a critical recovery priority for the State. While the primary purpose of buyouts is to move people out of harm's way, buyouts also convert properties to permanent open space, allowing communities to create natural buffers to absorb flood waters from future storms and make communities more resilient to future severe weather events. Buyouts also enable state and local governments to create or expand public recreation areas, wetlands, forests and wildlife management areas.

The State is leveraging multiple federal funding sources toward realizing its goal of purchasing up to 1,300 homes from willing sellers in flood-prone areas, many of which sustained severe flooding damage in past disasters as well as in Sandy. As of December 2014, DEP has approved 719 properties in 10 municipalities for buyouts.

The New Jersey Department of Environmental Protection (DEP) launched the Superstorm Sandy Blue Acres Buyouts Program in May 2013 with \$100 million of FEMA HMGP funds and has since committed an additional \$58 million of HMGP funds to the program. As of December 2014, DEP had made purchase offers to homeowners in Sayreville, South River, Woodbridge, Newark, East Brunswick and Lawrence (Cumberland County). Buyouts funded by FEMA HMGP are also underway in Manville and Pompton Lakes, with purchase offers to be made in

January 2015. In total, as of December 2014, DEP has made offers to 502 property owners, 343 of which have been accepted. DEP has closed on the purchase of 226 homes and 103 homes have been demolished to create open space.

Additionally, in December 2013, the State announced a partnership with the U.S. Department of Agriculture (USDA) to jointly fund buyouts and an ecological restoration project in the environmentally sensitive Bay Point section of Lawrence Township in Cumberland County, along the Delaware Bayshore. Funding for the project, which will include buyouts for 44 properties, will be provided through FEMA HMGP, the DEP Blue Acres Program and \$4 million from USDA's Natural Resource Conservation Service.

The State also committed \$100 million of second round CDBG-DR monies to fund additional buyouts. Old Bridge and Linden are the first communities identified for buyouts using CDBG-DR funds. DEP also continues to work with officials and residents in other municipalities that have expressed interest in, and are being considered for, buyouts.

The State remains committed to its goal of securing at least \$300 million in recovery funding for buyouts for targeted repetitive flood loss areas to reduce the number of homes in these areas and to enhance community resiliency. Through multiple funding streams the State already has committed \$262 million in federal recovery funding toward buyouts thus far, and continues to evaluate funding opportunities to meet its buyouts goal.

D. Other Needs

The needs of homeowners are not limited to construction-related activities. Displaced homeowners are making both mortgage and rent payments on budgets still strained by other unanticipated storm-related expenses. As long as homeowners remain displaced, these storm-related expenses will persist, straining household budgets and reducing household disposable income that otherwise might support economic recovery and reconstruction.

The State has brought multiple funding sources to bear on this need. As described above, the Homeowner Resettlement Program alleviated storm-related financial pressures for homeowners, benefitting more than 18,500 households. FEMA Individual Assistance also provided relief. More than \$418 million in FEMA Individual Assistance funds was disbursed to homeowners and renters in New Jersey, including nearly \$362 million in Housing Assistance and more than \$56 million in Other Needs Assistance. Additionally, through September 2014, the New Jersey Department of Human Services had distributed close to \$102 million through the Working Families Living Expenses Voucher Program (also called SHRAP) benefitting more than 24,500 individuals. The program provides assistance to

homeowners and renters of up to \$15,000 per household to cover mortgage, rent and utility payments, and also costs to replace necessary household items. The program ceased accepting new applications over the summer, but eligible households will continue to receive benefits through March 2015, at which time all program funds should be expended.

Based on this unmet needs assessment for homeowners, the State continues to prioritize using CDBG-DR funds toward the following objectives:

- Assisting homeowners with reconstruction or rehabilitation of their homes;
- Assisting homeowners in Sandy-impacted communities with home elevations;
- Providing individual construction management and technical assistance to help homeowners navigate the building and reconstruction process; and
- Providing buyout assistance for homeowners residing in flood-prone areas where large scale buyouts would serve a public health and safety benefit, as well as an environmental benefit.

2.1.2 Needs of Renters

Superstorm Sandy significantly reduced the supply of rental housing stock, and displacement caused by the storm increased demand for rental housing. Increased demand, coupled with the storm-related depletion of rental stock, substantially increased rents in some areas. As of October 2014, Zillow reported increases in rental rates between 1% and 5% year-over-year for some of the nine most-impacted counties. This increase was confirmed by HUD's recently released Fair Market Rent tables. Taken together, the loss of units, low vacancy rates and increased costs created particular hardships for LMI households seeking affordable rental housing.

The State's foremost unmet rental need remains the repair or replacement of storm-damaged rental housing stock, which will stabilize the rental market and create more affordable housing. The State has funded a number of housing recovery programs with first and second round CDBG-DR funds to address this need. As set forth in Table 2-2, the State projects that these investments will result in the repair or replacement of more than 9,000 affordable housing units.

Table 2-2: Summary of Allocations and Needs of Rental Programs Focused on Repair or Replacement of Rental Stock

Program	First and Second Tranche CDBG-DR Allocation	Amount Committed/Obligated as of October 2014	Projected No. of Units Created (Projected No. of Affordable Housing Units)	Number of Projects in Program Pipeline	Funding Requests for Pipeline Projects ^a	Projected No. of Units Created by Pipeline Projects (Projected No. of Affordable Housing Units)
Fund for Restoration of Large Multi-Family Housing (FRM)	\$379,520,000	\$168,875,627 ^b	2,918 (2,678)	40	\$380,582,980	3,336 (2,722)
Small Rental Repair Program (Landlord Rental Repair Program)	\$70,000,000	\$20,047,675	455 (455)	679	\$50,900,000	1,139 (1,139)
Sandy Special Needs Housing Fund	\$50,000,000	\$22,246,364	254 (254 beds)	14	\$14,775,138	106 (106 beds)
Neighborhood Enhancement Program	\$50,000,000	\$23,510,318	158 (158)	N/A ^c	N/A	N/A
Pre-Development Loan Fund	\$10,000,000	\$8,500,000	1,300 (1,300)	10	\$5,000,000	700 (700)
TOTALS	\$549,520,000	\$243,179,984	5,085 (4,609)	752	\$512,211,759	6,227 (5,613)

^a This data is as of October 2014, and the figures exclude program delivery costs. Program "pipeline" is defined as funding requests in excess of dollars allocated to the program from first and second round CDBG-DR funds. For rental unit construction programs, like FRM and SSNHF, the relationship between rental unit need and the program pipeline is indirect, insofar as the applicants to these programs are the housing developers and not individual renters.

^b This figure arises exclusively from the \$179,520,000 in first round CDBG-DR funds allocated to FRM. Per FRM guidelines, the application period for the \$200 million in second round CDBG-DR funds for FRM did not conclude until September 2014.

^c These figures represent first round funding for the NEP program. Pipeline figures are not provided because NEP was developed as a pilot program. Using second round funds for NEP, DCA is targeting funding to CDFIs, Community Housing Development Organizations and local redevelopment authorities to convert abandoned, foreclosed, vacant or blighted properties into affordable housing. Program guidelines were released and DCA is now accepting applications.

In addition to providing CDBG-DR funding to repair or replace rental stock, the State has leveraged CDBG-DR and other funds to assist renters directly with storm-related needs. For example:

- The State committed first tranche CDBG-DR funds to the Landlord Incentive Program (LIP), which provides funding to landlords to make existing units available at affordable rates to low-to-moderate income renters. The program supplements rental payments to assist individual renters and increase the number of available affordable units.
- The State has targeted CDBG-DR funds to supplement housing vouchers to very low-income families displaced by Superstorm Sandy. The vouchers subsidized the rents of these families, making housing more affordable.
- Many storm-affected renters received funding for storm-related needs through FEMA Individual Assistance. More than \$418 million in FEMA Individual Assistance was approved for homeowners and renters in New Jersey.

- The Working Families Living Expenses Voucher Program (also known as SHRAP) , funded with U.S. Department of Health & Human Services Social Services Block Grant monies, provides funding directly to individuals for rent and to replace necessary households items damaged by Sandy.
- The State allocated first tranche CDBG-DR funds to the Sandy Homebuyer Assistance Program that provided grants up to \$50,000 to assist low- and moderate-income individuals with home purchases. Among other things, this assistance provided some renters with financial support to become first-time homebuyers.

Additionally, following a regulatory waiver from HUD in July 2014 (FR-5696-N-10), the State transitioned \$17 million of LIP funds to its Supportive Service program in order to provide direct rental assistance to renters (rather than having to provide funding to landlords through LIP to subsidize rent costs in order to comply with HUD regulations pertaining to direct income payments). This funding is in addition to the approximately \$5 million of Supportive Services program funding that bolstered the above-mentioned housing vouchers to very-low income families. Based on experience with tenant-based rental assistance programs, the State projects that demand for Sandy-related Tenant-Based Rental Assistance in the form of housing vouchers will exceed that funding allocation.

Public Housing

Superstorm Sandy also affected public housing. Nearly all public housing authorities (PHAs) in New Jersey reported roof damage from high winds and minor to moderate flooding. Additionally, many PHAs identified resilience and mitigation needs, such as a need for back-up generators, a need to relocate critical infrastructure and a need to elevate public housing units that were storm-damaged but repaired.

The State has reserved \$30,000,000 of the CDBG-DR allocations to FRM from the first two funding rounds specifically to address damages to public housing units and other federally-funded housing. As of November 2014, the New Jersey Housing and Mortgage Finance Authority (HMFA) has obligated approximately \$13 million from these PHA recovery resources across three projects that, aggregately, will repair 576 units of affordable housing. Five additional projects requesting approximately \$39 million to repair, replace, provide resiliency measures for approximately 705 units of affordable housing are in the program pipeline. HMFA is evaluating those applications against eligibility criteria. Notably, both the obligated amount and unfunded pipeline figures are captured within the FRM figures presented in Table 2-2.

HMFA has done extensive outreach to evaluate the needs of PHAs during the course of recovery, including distributing surveys to PHAs after the storm to assess recovery needs. HMFA separately contacted the directors of all PHAs to explain the State's PHA recovery program and to provide contact information to direct any questions regarding the pursuit of recovery funding. HMFA again reached out directly to Sandy-affected PHAs and subsidized housing in connection with assessing unmet needs for distributing second round CDBG-DR funds. In June 2014, HMFA sought another update on remaining unmet needs as a result of Sandy. And as part of the direct outreach relating to third round CDBG-DR funding, in November 2014 DCA and HMFA met with PHAs to continue the discussion of Sandy needs.

At present, unmet PHA needs – separated between obligated projects (Table 2-3) and projects being reviewed for program eligibility (Table 2-4) – are as follows:

Table 2-3: Public Housing Authorities – CDBG-DR Obligated Projects

Project Name	Public Housing Authority	Amount Obligated	Scope of Work
Keyport Leisure Bay Apartments	Federally Funded Housing	\$6,000,000	Sewer Line repairs; HVAC; electrical distribution system
Thomas J. Stewart Apartments	Jersey City Housing Authority ^a	\$1,000,000	Roof Replacement; generator
Booker T. Washington Apartments	Jersey City Housing Authority ^a	\$6,000,000	Roof repairs; decentralized boilers; new electrical panels
Total		\$13,000,000	

Table 2-4: Public Housing Authorities – Applications Under Review

Project Name	Public Housing Authority	Amount Requested	Scope of Work
Booker T. Washington Apartments	Jersey City Housing Authority	\$2,500,000	Remove underground pipes; new electrical feed
Marion Gardens	Jersey City Housing Authority	\$5,435,000	Roofing; decentralized heating; new electrical panels
Berry Gardens	Jersey City Housing Authority	\$5,525,000	Replace Curtain Wall
Hoboken Housing Authority	Hoboken Housing Authority	\$10,159,438	Elevators; plumbing; roofs; flood barriers; grounds; curbs
Pecks Beach Village	Ocean City Housing Authority	\$7,200,000	Building Elevation
Edward J. Dolan Homes	Carteret Housing Authority	\$8,497,021	New Construction
Total		\$39,316,459	

Given the fact that HMFA will have to work with the PHAs to ensure that proposed expenses are CDBG-DR eligible, are eligible under the program, and are cost reasonable, the \$30 million currently set aside expressly for PHA recovery needs should meaningfully address unmet needs of PHAs.

Other Subsidized Housing

Other subsidized affordable multi-family housing projects were also affected by Superstorm Sandy, including projects funded under the Low Income Housing Tax Credit Program, bond-financed properties, housing financed primarily for older adults or persons with disabilities, and housing for Housing Choice Voucher (HCV) recipients located in flood plains. After the storm, it was reported that 2,188 federally-subsidized units in 192 multi-family properties were damaged and that 740 HCV recipient households were displaced.

Several assisted properties experienced ground floor water intrusion from the flooding and many experienced loss of power. At least one such property experienced damage to the units that exceeded the property's resources to repair; this property has submitted an application to the program under CDBG-DR first allocation funds. Twenty-six of fifty subsidized housing projects responded to a survey by HMFA to assess the needs for resiliency or hardening measures. Most of these housing projects cited the need for hurricane-proof windows, generators, and elevation of HVAC systems.

Based on the revised unmet needs assessment for renters, the State continues to prioritize:

- Rental programs to repair or replace damaged rental units, particularly those that serve LMI households and provide affordable housing; and
- Rental programs that address the unique circumstances of New Jersey's special needs population.

2.1.3 Needs of Special Needs Populations

Individuals with special needs oftentimes may be vulnerable as a result of natural disasters, due to disrupted support networks, accessibility issues or increases in cost of living. Special needs populations displaced by Superstorm Sandy include the elderly as well as adults, children, and youth who are homeless or at risk of homelessness, who have intellectual or developmental disabilities, who have physical disabilities or who have behavioral health needs.

To assist households and individuals having special needs, the State used \$50,000,000 across the first two CDBG-DR funding rounds to capitalize the Sandy Special Needs Housing Fund. This program, which continues to receive significant demand, provides funding to experienced for-profit and nonprofit developers to construct quality, permanent affordable rental housing throughout New Jersey. Many of the housing units being developed under the Sandy Special Needs Housing Fund restore the availability of units in Sandy-impacted communities, and as an

ancillary effect, contribute to the Olmstead settlement requirements related to providing services and housing for persons moving out of institutionalized settings.

2.1.4 Needs of Low- and Moderate-Income (LMI) Populations

As described in the Action Plan, Superstorm Sandy had a particularly devastating impact on the affected LMI population. In response, the State has directed CDBG-DR resources to programs specifically targeted to assist LMI populations. For example, the State initially reserved 70 percent of its first tranche allocation of RREM Program funding for LMI households and was able to provide preliminary RREM awards to all eligible LMI applicants following the second tranche allocation. The State likewise funded all eligible LMI applicants to the Homeowner Resettlement Program. Additionally, the State's renter programs overwhelmingly benefit LMI households; the projected LMI benefit for most renter programs exceeds 95 percent.

The State will continue to prioritize the use of CDBG-DR funds to address the housing needs of LMI populations, including through the LMI Homeowners Rebuilding Program, described above.

2.2 Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey is a bi-state agency that provides transportation, terminal and other facilities of commerce in the New York-New Jersey Port District, including bridges, tunnels, airports, transit and bus terminals. In Federal Register Notice FR-5696-N-11, HUD directed New Jersey to "update the needs assessment" for Port Authority in Action Plan Amendment No. 7. Specifically, the State again must assist the Port Authority in "address[ing] resiliency and local cost share requirements for damage to . . . the Port Authority or demonstrate that such resiliency needs and local cost share has otherwise been met."

Superstorm Sandy caused significant damage to Port Authority assets, including, but not limited to, extensive damage to the Port Authority Trans-Hudson (PATH) transit system, an interurban rapid transit system, which links Manhattan with neighboring New Jersey urban communities and suburban commuter railroads. The State worked with the Port Authority to assess the agency's needs. The Port Authority's General Counsel's Office and other staff were consulted as part of this process. The Port Authority has estimated total damages from Superstorm Sandy to exceed approximately \$2 billion, which does not include possible future latent damages. The Port Authority has also identified additional resiliency and mitigation projects.

Discussions with Port Authority in connection with preparing this Action Plan Amendment confirmed that the unmet needs assessment has not materially changed since Action Plan Amendment No. 7 was approved in May 2014. The Port

Authority's recovery needs are anticipated to be satisfied, in part, by grant proceeds from the Federal Transit Administration and FEMA Public Assistance programs, among other federal sources. The Port Authority will meet remaining recovery needs, including funding for non-federal projects and meet non-federal cost shares associated with FTA and FEMA funding streams, through proceeds from insurance and available Port Authority capital funds, including through the issue of its debt obligations.

SECTION 3: METHOD OF DISTRIBUTION

Based on the revised unmet housing needs assessment above as well as satisfying the State's CDBG-DR program funding agreement with HUD and certain stakeholder groups, the State has prioritized third round CDBG-DR funding for the portfolio of programs described in Table 3-1. This portfolio does not include the \$380 million in third round CDBG-DR funds allocated by HUD to New Jersey exclusively for the two HUD-selected Rebuild by Design (RBD) projects. The RBD projects are described in Action Plan Amendment No. 12.

Table 3-1: CDBG-DR Third Round Plan Programs

Category	Allocation Level		Program	Allocation Level	LMI Estimate
	Total Amount	Total Estimated LMI Amount			
Homeowner Assistance Programs	\$226,543,202	\$ 0	Reconstruction, Rehabilitation, Elevation & Mitigation Fund for Restoration of Multi-Family Housing	\$226,543,202	0%
Rental Housing and Renter Programs	\$240,000,000	\$233,250,000	Sandy Special Needs Housing Fund	\$10,000,000	97%
			Tenant-Based Rental Assistance	\$15,000,000	100%
TOTAL	\$466,543,202	\$233,250,000	TOTAL FUNDED PROGRAMS	\$466,543,202	50%
Planning, Oversight, and Monitoring	\$35,365,798	N/A	Administration	\$35,365,798	N/A
TOTAL	\$501,909,000				

Consistent with HUD requirements, 50% of the aggregate CDBG-DR funds provided to the State for recovery must benefit LMI households, businesses or communities.

3.1 Housing Overview

Third round CDBG-DR funds should be sufficient to clear the RREM waitlist and to fund rental programs at levels agreed upon with HUD and certain stakeholder groups. Understandably, the State has made housing recovery a primary recovery priority. Significant unmet needs remain, however, particularly in the infrastructure sector as described in more detail in the initial CDBG Action Plan and Action Plan Amendment No. 7. The State will continue to assess ways to leverage existing funding streams to realize important recovery and resilience initiatives, in and beyond the housing sector, recognizing the challenges arising from unmet needs far exceeding available recovery resources.

Additionally, that funding for other existing housing programs, most notably buyouts, is not included in this Action Plan Amendment should not be construed to indicate that such programs do not continue to be important to recovery. Rather, this is also a function of recovery needs significantly exceeding available CDBG-DR resources. Recognizing these funding limitations, the State already had shifted additional FEMA Hazard Mitigation Grant Program funds to the buyouts initiative and continues to assess other funding sources that may be leveraged in support of this critical program, and to date has committed more than \$267 million in recovery funds to purchase properties in flood-prone areas.

The State remains committed to affirmatively furthering fair housing through its housing programs, following all applicable federal and state statutes and regulations, and vigorously enforcing fair housing laws. The State will continue to ensure that housing assistance is prioritized and allocated based on financial hardship and disaster-related need, without regard to race or ethnicity, color, religion, sex, handicap, familial status or national origin. The State likewise affirms its commitment to implementing Section 3 requirements, as applicable, including as applied to jobs, training and contracting opportunities for Section 3 residents and businesses. The State likewise will continue to adhere to additional standards and requirements for housing programs identified in its Action Plan (including all amendments).

3.2 Homeowner Assistance Programs

To support the recovery of homeowners, the State will use third round CDBG-DR monies to increase funding for the RREM Program in order to fund all eligible households currently remaining on the RREM waitlist.

3.2.1 Homeowner Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program

The RREM Program provides grant awards to eligible primary homeowners for activities necessary to repair storm-damaged homes, including rehabilitation, reconstruction, elevation and mitigation. Through the first two CDBG-DR funding rounds, the State has allocated \$1.1 billion to the RREM program, which is estimated to benefit more than 8,800 households. This includes approximately 3,300 applicants who were taken off the waitlist in June 2014 when the State received access to second round CDBG-DR funds.

As of October 2014, more than 4,500 homeowners have signed RREM grant agreements for rebuilding. Of those, more than 3,700 applicants either are in active construction or have completed construction on their homes. With the addition of \$226,543,202 in third round of CDBG-DR funds, as well as \$30 million transitioned

to the RREM program pursuant to Action Plan Amendment No. 13, the State projects to serve the needs of the waitlist. If additional funds are required in order to serve the RREM waitlist, the State will transition additional funds into the program.

The State incorporates the description of the RREM program in its Action Plan, as amended, and the description of the RREM program in Action Plan Amendment No. 7, as amended, as well as all eligibility and other criteria, except to the extent different from the descriptions below.

Allocation for Activity: \$226,543,202

Maximum Award: \$150,000, not inclusive of design and other soft costs, as applicable.

Eligible Applicants and Eligibility Criteria:

- Homeowner must have a household adjusted gross annual income of \$250,000 or less
- Homeowner must have been registered with FEMA
- Home must have been owner-occupied at the time of the storm
- Home must have served as a primary residence
- Home must have been in one of the nine most-impacted and distressed counties
- The RREM program will follow the reconstruction and rehabilitation standards noted in the Action Plan.

Eligibility Criteria: Eligibility and prioritization criteria described in the Action Plan continue to apply.

Criteria for Selection: Criteria for selection as set forth in the Action Plan continue to apply.

Eligibility for CDBG-DR: Sections 105(a)(4); 105(a)(8); 105(a)(11)

National Objective: Low and moderate income housing; alleviate slum and blight; urgent need.

3.3 Rental Housing and Renter Programs

To support the recovery of renters, the State will use third round CDBG-DR funds to increase funding for (i) the Fund for the Restoration of Multi-Family Housing, and (ii) the Sandy Special Needs Housing Fund. Both programs increase the supply of affordable rental housing in the State. The State also will provide additional funding for tenant-based rental assistance in a manner consistent with HUD's July 2014

Federal Register Notice (FR-5696-N-10), as potentially modified and/or extended based on the State's waiver requests.

3.3.1 Fund for Restoration of Multi-Family Housing

The Fund for the Restoration of Multi-Family Housing (FRM) is administered by the New Jersey Housing and Mortgage Finance Agency (HMFA) and provides funding to facilitate the creation or rehabilitation of quality, affordable rental housing units to address the loss of multi-family housing caused by Superstorm Sandy. CDBG-DR funds are provided as zero- and low-interest loans to qualified developers to leverage 9 percent and 4 percent low-income housing tax credits and tax-exempt bonds to facilitate development projects. FRM funds also can be provided as stand-alone project financing.

From the first two rounds of CDBG-DR funds allocated to New Jersey by HUD, the State has allocated \$379,520,000 to FRM – \$179,520,000 in the first round and \$200,000,000 in second round. Of that total, \$30 million has been reserved expressly to support the recovery of Sandy-affected public housing units, federally owned housing units, and HUD assisted multifamily housing.

As of November 2014, 23 FRM projects are actively under construction that will yield over 2,000 rental units. Additionally, HMFA has obligated more than \$50 million across 12 separate projects that will yield more than 1,200 affordable rental units. Applications for second round FRM funding were required to be submitted to HMFA by November 10, 2014. HMFA currently is scoring projects based on established, objective program criteria. The FRM proposed project pipeline currently exceeds \$380 million.

The State will dedicate \$215,000,000 of third round CDBG-DR funds to the FRM program. As with previous funding rounds, HMFA has set a goal that at least 80 percent of FRM funds from this tranche will be initially prioritized for projects to repair or replace multi-family housing within the nine most-impacted counties as determined by HUD.

The State incorporates the description of FRM in its Action Plan, as amended, and the description of FRM in Action Plan Amendment No. 7, as well as all eligibility and other criteria, except to the extent different from the descriptions below.

Allocation for Activity: \$215,000,000

Maximum Award: \$170,000/unit

Eligible Applicants: Private for-profit and nonprofit housing developers, as well as public housing authorities capable of developing and managing large multi-family developments.

Eligibility Criteria: Projects must: (a) rehabilitate or replace affordable rental units that were damaged as a result of the storm; (b) build new rental housing that addresses an unmet need resulting from the storm; or (c) convert existing structures into affordable housing that addresses an unmet need resulting from the storm. This conversion may include conducting substantial rehabilitation and as a result transitioning market rate units to affordable units, changing a property that was not a rental housing use into permanent, affordable rental housing or rehabilitating vacant, dilapidated units.

Criteria for Selection: Eighty percent of FRM funds from this tranche will be initially prioritized for projects to repair or replace multi-family housing within the nine most-impacted counties as determined by HUD.

Eligibility for CDBG-DR: Section 105(a)(1); Section 105(a)(4); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income housing; alleviate slum and blight; urgent need.

3.3.2 Sandy Special Needs Housing Fund

Superstorm Sandy reduced the available stock of permanent, affordable housing that supports special needs populations. In response, the State has dedicated \$50 million in CDBG-DR funds – \$25 million of first round funds and \$25 million of second round funds – to establish the Sandy Special Needs Housing Fund (SSNHF). SSNHF repairs or replaces housing for special needs populations. The program provides low-interest loans or grants to these projects.

As of November 2014, HMFA has closed on 10 projects for more than \$9 million of SSNHF monies. These projects will create almost 100 beds for individuals with special needs. HMFA additionally has obligated more than \$13 million of SSNHF monies across 14 additional projects that will produce another 160 beds for individuals with special needs.

Continuing its commitment to the restoration or replacement of damaged housing that supports special needs populations, the State will allocate \$10,000,000 in third round CDBG-DR funds to SSNHF. Seventy-five percent of funding will be reserved initially to benefit households with annual gross incomes at or below 30 percent of Area Median Income. The remaining 25 percent will be reserved initially to benefit households with annual gross incomes between 30 percent and 80 percent of Area Median Income. All funding in this program is projected to benefit LMI households.

The State incorporates the description of the SSNHF program in its Action Plan, as amended, and the description of SSNHF in Action Plan Amendment No. 7, as well as

all eligibility and other criteria, except to the extent different from the descriptions below.

Allocation for Activity: \$10,000,000

Maximum Award: Amount of the award is to be based on underwriting the gap in the project, not to exceed the cap as stated in the Agency's underwriting guidelines. Standard HMFA underwriting applies. However, more mixed occupancy projects only, there will be a CDBG-DR funding cap per unit of \$170,000.

Eligible Applicants: For-profit and nonprofit housing developers and public housing authorities capable of developing and managing the permanent supportive housing projects, and providing supportive services directly or indirectly through a service provider, to the targeted special needs populations.

Criteria for Selection: Experienced for-profit and nonprofit housing developers preferably with experience developing permanent, supportive housing; public housing authorities.

Eligibility for CDBG-DR: Section 105(a)(2); Section 105(a)(4); Federal Register Notice FR-5696-N-01

National Objective: Low and moderate income; alleviate slum and blight; urgent need.

3.3.3 Supportive Services (Tenant-Based Rental Assistance)

The State will allocate \$15,000,000 of third round CDBG-DR funds to provide additional tenant-based rental assistance for up to two years. This investment will increase availability of rental units to low-to-moderate income households and revitalize impacted communities. Funds will be provided through the State's Supportive Services program, and are in addition to the \$17 million in second round CDBG-DR funds allocated to this program.

Intake for the program will open early next year and outreach will be undertaken leading up to, and during, the application period. Income eligible applicants must (i) have resided in one of the nine most-impacted counties at the time of the storm, or (ii) be moving into the nine-most impacted counties. The first group of applicants – residents of one of the nine most-impacted counties at the time of the storm – will receive first priority in this program. Based on the typical response rate when county tenant-based rental assistance wait lists open, the State projects to receive 500 applications a day, far greater demand than the State has funding to serve. Notably, housing counseling services will be provided to assist applicants

with submission of on-line in-take forms, and all intake forms will be input into the State's Housing Pro system.

An electronic lottery will be held to select approximately 1,400 applicants who can be served with the allotted funding. To prioritize based on need, in addition to the Criteria for Selection set forth below, seventy-five percent of program funds will be initially reserved for families at 30% or less of Area Median Income.

Importantly, HUD's initial waiver in FR-5696-N-10 only allows up to \$17 million of CDBG-DR funds to be used for tenant-based rental assistance. Therefore, this allocation of additional funding for the tenant-based rental assistance program is conditioned on HUD's extending the CDBG-DR funding cap from \$17 million to \$32 million. That waiver request is pending with HUD.

Allocation for Activity: \$15,000,000

Eligible Applicants: LMI rental households that: (i) resided in one of the nine most-impacted counties at the time of the storm, or (ii) will be moving into the nine-most impacted counties.

Criteria for Selection: Because demand for TBRA is expected to exceed available funding, funding will be distributed through a randomized lottery. Initially, funds will be disbursed (in order of lottery number) to applicants at 30% of Area Median Income directly impacted by Superstorm Sandy and residing within one of the nine-most impacted counties. If any funds are remaining, funding will then be disbursed (in order of lottery number) to applicants at 30% of Area Median Income residing or seeking to reside in one of the nine most-impacted counties. If any funds are remaining after that second distribution, remaining funds will be disbursed (in order of lottery number) to remaining eligible applicants, prioritizing first remaining applicants who were directly impacted by Superstorm Sandy.

Seventy-five percent of available program funds will be initially reserved for eligible households at or below 30 percent of Area Median Income.

Eligibility for CDBG-DR: Section 105(a)(8); FR-5696-N-10 (subject to pending request for expansion of TBRA funding cap from \$17 million to \$32 million)

National Objective: Low and moderate income

3.4 Oversight and Monitoring Activities

DCA will continue to administer its programs following policies and procedures outlined in the Action Plan with respect to receipt of CDBG-DR funds. As the designated CDBG-DR funds grantee, DCA also will continue to oversee all activities and expenditures of the CDBG-DR funds. Existing state employees are providing this function, with support of other personnel and contractors hired specifically to aid in

the administration of, and to carry out, recovery programs. These efforts ensure layers of financial control are in place, provide technical assistance to the State, and undertake administrative and monitoring activities to better assure compliance with applicable federal requirements, including without limitation: meeting the disaster threshold; eligibility; national objective compliance; fair housing; nondiscrimination; labor standards; environmental regulations; and applicable procurement regulations.

Allocation for Activity: \$35,365,798

Administration: DCA has established a Sandy Recovery Division (SRD) with departmental and contracted staff. The SRD coordinates with existing DCA divisions and other state agencies to administer recovery programs. Tasks include providing overall program direction, financial controls, procurement, outreach and communications, compliance, information management, and recovery subject matter expertise. DCA has developed process maps and program guidelines to direct the work of all staff and subrecipients for each program. Written procedures address cross-cutting topics such as Davis Bacon, fair housing, Section 3, financial management, and file management for disaster recovery. The recovery staff also provides technical assistance to grantees, and undertakes monitoring activities to ensure regulatory compliance.

Monitoring: The primary purpose of the State's monitoring strategy is to ensure that all projects comply with applicable federal and state regulations and are effectively meeting stated goals and projected timelines. DCA staff will continue to perform monitoring in accordance with its CDBG-DR monitoring plan, maintaining a high level of transparency and accountability through a combination of risk analysis of programs and activities, desk reviews, site visits, and checklists modeled after HUD's Disaster Recovery Monitoring Checklists and existing monitoring checklists used in monitoring regular program activities. All projects will be monitored on a schedule determined by the risk analysis, but at least once on-site during the life of the activity. The results of monitoring and audit activities will be reported to the Commissioner of DCA, and status of the grant programs are reported on two public websites: <http://nj.gov/comptroller/sandytransparency/> and <https://www.newjerseyrebuild.org/>. Both are updated regularly.

Monitoring will continue to address compliance with:

- CDBG-DR and other applicable regulations, such as fair housing, environmental, wage rates, and others
- Floodplain restrictions
- Applicant eligibility

- Restrictions on duplication of benefits.

Moreover, the State will continue to follow all monitoring processes identified in the Action Plan, including those created in response to New Jersey Executive Order 125 as well as state legislation.

Reporting: Each awarded applicant will continue to report information necessary and relevant to the status of its activities, and other information as required by HUD. Additional reporting requirements (e.g., annual audits, contractual obligations, labor and minority business enterprise reports, as applicable) are specified in contract documents.

Additional Steps to Avoid Occurrence of Fraud, Abuse and Mismanagement: The State will continue to follow all of the processes and procedures described in Section 6 of the Action Plan with respect to preventing and detecting waste, fraud and abuse, including those steps required pursuant to New Jersey Executive Order 125 as well as state legislation.

3.5 Pre-Agreement Costs and Reimbursement

New Jersey will follow provisions of 24 CFR 570.489(b), and the Pre-Award CPD Guidance issued by HUD in its March 5, 2013 Notice, as well as in 24 C.F.R. § 570.489(b), which permit the State to reimburse itself for otherwise allowable costs incurred by itself or its recipients, subgrantees, or subrecipients (including PHAs), or grantees on or after the incident date of the covered disaster.

SECTION 4: PERFORMANCE SCHEDULE

To satisfy HUD guidance in Federal Register Notice FR-5696-N-11, New Jersey will issue another proposed non-substantial amendment to provide a detailed performance metrics regarding the allocation of third round CDBG-DR funds. The performance metrics will be based on expected quarterly expenditures and outcomes. Consistent with the Notice, this amendment will be prepared within 90 days of the date that New Jersey's proposed uses of third round CDBG-DR funds are approved by HUD.

To the extent that estimated and quantifiable performance outcome factors must be provided as part of this Substantial Amendment, Table 4-1 below sets out current estimated outcomes by third round funding category. These estimates are preliminary and are subject to change. Assessing potential factors that may affect these projections will be important in finalizing and meeting proposed performance metrics. The State anticipates that HUD will provide flexibility to extend timelines based on relevant factors.

The State also will work closely with HUD to determine fund draw schedules consistent with implementation and construction schedules identified in the Action Plan. At this time, the State of New Jersey is committing 100 percent of its non-RBD allocation from this tranche of CDBG-DR funding (i.e., the CDBG-DR funding not expressly allocated for Rebuild by Design projects) for the programs listed in this substantial amendment. The State is currently evaluating its needs regarding when to begin drawing third round CDBG-DR funds.

Table 4-1: Projected Performance Metrics for CDBG-DR Third Tranche Programs

Program Category	Total Funding	Estimated Outcomes
Homeowner Housing	\$226,543,202	2000 Homeowners Assisted
Rental Housing	\$240,000,000	4000 Rental Units Assisted
Total	\$466,543,202	

SECTION 5: OUTREACH AND PUBLIC COMMENT

Citizen participation through extensive public outreach is an essential component of the State's disaster recovery efforts. The State engages on a daily basis with citizens, stakeholder groups, local officials, non-profit groups, the federal government and other recovery partners about issues relating to the recovery.

Though the State has limited discretion in the allocation of non-RBD third round CDBG-DR funds after accounting for RREM needs and satisfying important and agreed upon renter program funding needs, the State nevertheless undertook an extensive, coordinated outreach approach. Steps included discussions between state government leaders and local elected officials. Additionally, the New Jersey Department of Community Affairs (DCA) contacted approximately 145 housing stakeholder groups and held more than 40 meetings and conference calls with housing stakeholder groups, as all third round funds necessarily must be targeted to housing needs. The Governor's Office of Recovery and Rebuilding (GORR) briefed state legislative leadership staff and New Jersey Congressional delegation staff regarding remaining recovery needs and the use of third tranche CDBG-DR funds.

Furthermore, consistent with the requirements in Federal Register Notice FR-5696-N-11, the State held public hearings after making this Substantial Amendment available for public comment. The State held two public hearings on the following dates and times, and at the following locations:

- January 6, 2015: Ocean County College, Jay and Linda Grunin Center for Performing Arts, 1 College Drive, Building 12, Toms River, New Jersey, 08753 (4-7 pm)
- January 7, 2015: Bergen Community College, Moses Center, 400 Paramus Road, Paramus, New Jersey 07652 (4-7 pm)

In addition to the public hearings, comments on the Substantial Amendment were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.nj.gov, or to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823.

5.1 Citizen Participation Plan Requirements

In developing this Substantial Amendment, the State complied with all citizen participation plan requirements, including the requirements in Federal Register Notice FR-5696-N-11. These steps have included the following:

- The State issued this Substantial Amendment and made it available to the public for a comment period of no less than thirty days prior to its submission to HUD. DCA posted this Substantial Amendment prominently on its official website to afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the Substantial Amendment's contents.
- The State conducted outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities.
- The State held a public hearing regarding this Substantial Amendment to the Action Plan. Residents and other stakeholders were provided reasonable and timely access to information about the public hearing and to the hearing itself.

Certain elements of the citizen participation requirements remain unchanged since the issuance of the State's Action Plan. In preparing this Substantial Amendment, the State has complied with these elements of the citizen participation requirements as well, which include the following:

- The State notified the public that the Substantial Amendment is available for review and comment through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with community-based organizations.
- The State made these documents available in a form accessible to persons with disabilities and persons of limited English proficiency (LEP).
- The State reached out to local nonprofit and civic organizations to disseminate information about and make available a copy of this Substantial Amendment.
- The State has considered all written comments it receives on this Substantial Amendment as well as all oral comments at the public hearings.
- The State continues to make the Action Plan, all amendments, and all performance reports available to the public on its website and upon request.

The State shall provide citizens, local officials, and other stakeholders with reasonable and timely access to information and records relating to the Action Plan, this Substantial Amendment and the State's use of CDBG-DR funds.

5.2 Action Plan Amendment Outreach

As referenced above, the State remains engaged on a daily basis with citizens, stakeholder groups, local officials, non-profit groups, the federal government and other recovery partners about issues relating to the recovery. Additionally, as described above, the State has limited discretion in the allocation of third round CDBG-DR funds across housing programs.

Nevertheless, insofar as this third round of non-Rebuild by Design CDBG-DR funds focuses exclusively on housing programs, the Department of Community Affairs held meetings and conference calls with the stakeholder groups identified below regarding unmet Sandy housing recovery needs:

- Affordable Housing Alliance, Inc.
- Atlantic County Long-Term Recovery Group
- Bayonne Economic Opportunity Foundation
- Bayshore Center at Bivalve
- Bergen Voluntary Organizations Active in Disaster
- Catholic Charities
- Community Investment Strategies
- Corporation for Supportive Housing
- East Orange Housing Authority
- Elizabeth Housing Authority
- Fair Share Housing Center
- Habitat for Humanity
- Housing and Community Development Network of NJ
- Ingerman
- Ironbound Community Corporation
- Irvington Housing Authority
- Legal Services of NJ
- Lew Corporation
- Linden Housing Authority
- Michaels Development Corp
- Middlesex County Long Term Recovery Group
- Monmouth County Long Term Recovery Group
- New Jersey Builders Association
- New Jersey Chapter of the American Planning Association
- New Jersey Urban Mayors' Association
- Occupy Sandy
- PACO Weatherization Assistance Program
- Paul J. Somerville Design, Inc.
- Pennrose Properties
- Pleasantville Housing Authority
- PRAB, Inc.
- Puerto Rican Association for Human Development Inc.
- Rebuilding Together
- RPM Development Group
- SERV Properties and Management, Inc.
- Spanish Community Center
- St. Bernard Project
- The Metro Company, LLC
- The People's Pantry Relief Center
- Trenton Housing Authority
- Urban Verde
- Visitation Church Relief Center of Brick, NJ

Other groups were invited to meetings or conference calls but elected not to participate.

Additionally, GORR spoke with the Association of Counties, League of Municipalities, and the Conference of Mayors. In addition to these stakeholder outreach sessions, GORR briefed mayors and key state legislative staff, focusing on the State's unmet housing needs and the allocation of third round CDBG-DR funds. GORR held a similar briefing for members of the staff of New Jersey's Congressional delegation.

The State also held two public hearings during the thirty-day public comment period for this Substantial Amendment. The State remains committed to a robust and transparent public hearing process that emphasizes public engagement.

These CDBG-DR funding-specific outreach efforts augment other means used by the State to inform and engage the public on Sandy recovery issues. For example, the State routinely engages the media on recovery issues as a mechanism to keep the public informed. The State also has conducted mobile cabinets in many of the most-impacted communities. State departments and agencies also have made recovery-related public service announcements over radio. Additionally, the State has issued dozens of Sandy-related press releases about recovery-related issues across all impacted sectors. Notably, press releases through the Governor's Office include distribution of fact sheets and press releases to Spanish language media outlets (e.g., Telemundo, Univision, News12 Spanish, etc.), three Asian language media outlets, one statewide African American magazine, and eight Jewish media outlets, which cover several affected counties. These are just some examples of ongoing outreach efforts. Additional examples of outreach efforts in connection with Sandy recovery are described in the Action Plan.

Furthermore, many state departments and agencies maintain websites with information specific to Sandy recovery. Examples include:

- The Governor's Office of Recovery and Rebuilding website (<http://nj.gov/gorr/>) contains information about recovery across impacted sectors and demonstrates the State's commitment to a holistic recovery approach that seeks to utilize all available recovery funding streams in a coordinated way.
- The New Jersey Department of Community Affairs website with a specific Sandy Recovery section (www.renewjerseystronger.org) which can be translated into Spanish and multiple other languages. The Sandy Recovery webpages provide a direct link to Sandy-related recovery resources and are regularly updated with information related to programs, housing recovery centers, etc. Moreover, DCA maintains the sandy.recovery@dca.nj.gov email address that is one mechanism for citizens to ask questions, make

comments, or provide other input regarding recovery programs. DCA is able to provide answers in multiple languages as appropriate and necessary.

- The New Jersey Economic Development Authority maintains a website (<http://application.njeda.com/strongernjbusiness/default.aspx>) dedicated to information about the State's CDBG-DR funded economic programs.
- The New Jersey Department of Environmental Protection maintains a website (<http://www.state.nj.us/dep/special/hurricane-sandy/>) primarily dedicated to environmental issues and initiatives that arise in the recovery.
- Per New Jersey Executive Order 125, the New Jersey State Comptroller maintains a website (<http://nj.gov/comptroller/sandytransparency/>) that, among other things, provides information about Sandy-related government contracts and how federal Sandy recovery funds are expended.

Accessibility to Programs

New Jersey has taken measures to ensure that individuals with disabilities have access to programs and can provide comments on this Substantial Amendment. Moreover, program materials and outreach efforts follow prescribed guidelines to ensure access for individuals with disabilities. The State's Housing Recovery Centers are accessible to persons with physical impairments. Individuals may request auxiliary aids and service necessary for participation by contacting 1-855-SANDYHM (1-855-726-3946). They may also request materials in Braille and other formats for persons with visual impairments. The centers also provide remote (web- or phone-based) counseling for potential applicants who cannot reach the housing recovery centers due to their disability. The centers are equipped with personnel who can be deployed for home visits, particularly for elderly and disabled.

Limited English Proficiency Outreach

The State's outreach has included various communities that, based on Census tract data, have a significant proportion of minority and Limited English Proficiency (LEP) residents. DCA updated its Limited English Proficiency (LEP) analysis in January 2014 using more recent data available from the U.S. Census's American Communities Survey (ACS). At this time, it is believed that the Spanish-speaking population continues to be the only group that represents greater than 5 percent of the population in the nine affected counties. This was the same population indicated in the State's original LEP analysis and noted in the original Action Plan. In addition, and to ensure that all citizens have access to the State's recovery programs, DCA will continue efforts to identify those communities with concentrations of LEP households and provide outreach and program information to those communities.

DCA continues to evaluate its language access plan (LAP) which provides a range of outreach services to LEP populations. DCA has appointed a LAP coordinator to act as the main point of contact for translation requests. The LAP sets forth DCA's plan to insure that LEP persons have meaningful access to its CDBG-DR programs and services. The LAP plan includes, but is not limited to:

- Translation of materials: the Action Plan, this and other substantial amendments, essential program materials, vital program documents and press releases are translated into Spanish and can be translated into other languages upon request. DCA utilizes a native-speaking Spanish translator to routinely translate documents and to review the accuracy of translated materials related to essential program materials and press releases. The Spanish version of this Substantial Amendment will be available on the DCA website;
- DCA utilizes a state contracted entity to provide translation of program materials and vital program documents into an additional ten languages upon request;
- Procurement of translators for public meetings;
- Provision of specific LEP assistance through the housing recovery centers by utilizing both the "I-Speak" cards as well as accessing the language line for verbal translation services;
- Training staff on LEP as well as what is required under the LAP;
- Provision of multi-lingual phone lines as appropriate; and
- Monitoring and updating the LAP as appropriate given updated U.S. Census and programmatic information on LEP populations.

DCA will continue to update the language access plan as necessary to address the needs of the various LEP populations within the nine most impacted counties.

5.2.1 Summary of Public Comment

Consistent with HUD requirements, this Substantial Amendment was made available for public comment for a period of at least thirty (30) days. All comments were submitted by 5 pm Eastern Standard Time on January 15, 2014. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.nj.gov, or to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823. The State also solicited public comments at the public hearings.

The State has reviewed the public comments provided during the comment period. All comments receive equivalent treatment regardless of whether they are submitted by email, U.S. mail, or at a public hearing.

Per HUD guidelines, the State has synthesized the comments it receives and provided written responses.

COMMENT 1
SUPPORT FOR ACTION PLAN AMENDMENT

Various commenters expressed support for different components of Action Plan Amendment No. 11.

Staff Response:

The State appreciates the support of the commenters for Action Plan Amendment No. 11.

COMMENT 2
NON-CONSTRUCTION-RELATED FINANCIAL ASSISTANCE

Numerous commenters stated that third round CDBG-DR funds should be allocated to support the ongoing needs of homeowners who remain displaced by the storm or by construction and/or elevation, and who are struggling to pay both a mortgage and a rent on a household budget still strained by storm-related expenses. Most of these commenters stated that with SHRAP assistance coming to an end, additional funding needs to be identified to continue to address this unmet need. One commenter stated that CDBG-DR funds should not be used for the Tenant-Based Rental Assistance (TBRA) Program, and that funding instead should be used for non-construction related financial assistance for displaced homeowners in the process of reconstructing their homes. Another commenter stated that the guidelines for this type of assistance should be stricter than SHRAP. An additional commenter stated that while RREM Program guidelines potentially allow for temporary relocation assistance, RREM grant funds are not being used for that purpose.

Staff Response:

While significant recovery resources have been allocated thus far to address this need – FEMA Individual Assistance; Homeowner Resettlement Program; SHRAP – the State recognizes the ongoing need for many households that are simultaneously paying a rent and a mortgage because they have been displaced by storm damage or by construction and/or elevation.

Regarding CDBG-DR funds, the State did not receive sufficient funding in this third funding round to allocate resources to a program that provides displaced households with non-construction-related financial assistance. As stated in Amendment No. 11, the funding allocations to important rental programs are

driven by a contractual agreement between HUD, the State and certain advocacy groups, so those program allocations cannot be modified. Remaining allocated third round funds are fully committed to secure construction funding for the entire RREM waitlist. Thus, there were not sufficient third round CDBG-DR funds to address other important unmet recovery needs, including the need for non-construction-related financial assistance.

Nevertheless, recognizing this unmet need is critical, the State has scoured existing recovery programs and resources for a means to provide some short-term assistance to these households in need. The State currently is in the process of shifting Social Services Block Grant (SSBG) funds to a Rental Assistance Program that will provide up to six months of rental assistance to eligible RREM Program and LMI Homeowner Rebuilding Program applicants with a signed grant agreement who are displaced by damage or construction/elevation and are simultaneously paying a mortgage and a rent. The program is projected to open in March and begin issuing payments in April.

The State continues to evaluate other resources that may be brought to bear to support this need, while recognizing that available financial resources are limited.

**COMMENT 3
DUPLICATION OF BENEFITS (SBA LOANS)**

Several commenters questioned why SBA loans were considered by DCA when calculating households' RREM Program awards in order to avoid a duplication of benefits, and stated that SBA had told them that SBA loans did not need to be counted in the duplication of benefits analysis for CDBG-DR funds. Some commenters also stated that SBA loans were not considered in the CDBG-DR duplication of benefits analysis in other disasters. One commenter stated that if there is a federal regulation requiring SBA loans to be included in the CDBG-DR duplication of benefits analysis, that regulation should be eliminated. Another commenter stated that CDBG-DR funds should be allowed to pay off SBA loan principal if there is a showing of need.

Staff Response:

HUD Federal Register Notice FR-5582-N-01 describes how the CDBG-DR duplication of benefits analysis must be performed. This Notice was "developed in consultation with the Small Business Administration (SBA) and the Federal Emergency Management Agency (FEMA)." The Notice provides a great degree of detail, and the State recommends that concerned citizens review the sections fully. In response to the comments received, the following sections highlight the prescribed limitations related to the SBA loan funding provided to homeowners.

Section VI of the Notice explains that SBA loans are among the federal government's primary and standard forms of disaster assistance. CDBG funds, on the other hand, are intended to supplement rather than supplant SBA assistance.

Section IV.B of the Notice states:

Total assistance available to the person or entity. Assistance includes all benefits available to the person, including cash and other resources such as insurance proceeds, grants, and SBA loans (private loans not guaranteed by SBA are excepted—see paragraph C). Grantees should identify all assistance received by each person, business concern, or other entity, via insurance, FEMA, SBA, or local, state, or Federal programs, and private or nonprofit charity organizations. (Second and third emphases added.)

Section IV.D of the Notice, titled *Calculate CDBG Disaster Recovery Award*, provides that "unmet need" must be calculated by identifying the total post-disaster need of the applicant and subtracting the total assistance provided to the individual to address that specific need. The Notice then provides an example of the duplication of benefits calculation for "Homeowner Rehabilitation" that expressly includes "SBA loan" as an example of duplicative assistance for rehabilitation that must be accounted for in the CDBG-DR unmet needs calculation.

FR-5582-N-01 establishes that SBA loan proceeds must be accounted for when determining a household's unmet rehabilitation need for which CDBG-DR funds can be provided. While the State understands individuals' frustration with SBA loan funding being considered a duplication of benefits for a grant program, in administering CDBG-DR funds the State must comply with this HUD Notice and all HUD regulations, and will continue to do so. The State has reached out to HUD and SBA to try to ensure that any misinformation that SBA personnel may be providing to New Jerseyans regarding the CDBG-DR duplication of benefits analysis is corrected.

Finally, Section VI.B of the Notice expressly states that "CDBG disaster recovery funds should not be used to pay down an SBA home or business loan."

COMMENT 4

ALLOCATION OF FUNDING BETWEEN MOST-IMPACTED COUNTIES

A commenter expressed concern about the allocation of CDBG-DR resources between each of the nine most-impacted counties as determined by HUD, and suggested that the amount of CDBG-DR resources aggregately provided to each county should be proportional to the comparative damage each county sustained from Sandy.

Staff Response:

Consistent with the commenter's rationale, the State is targeting funds, where feasible, to individuals and areas that sustained the most damage. The State has taken steps to account for the extent of damage sustained in an area into its programs. As some examples:

- The RREM Program and the LMI Homeowners Rebuilding Program prioritize first for funding eligible applicants whose homes were "substantially damaged." Additionally, with this third round of CDBG-DR funding, all eligible RREM applicants will be funded.
- In the Fund for the Restoration of Multi-Family Housing (FRM), the New Jersey Housing and Mortgage Finance Agency (HMFA) is using FEMA data showing the number of damaged rental properties by community in order to give more points to projects located in communities that were more heavily damaged (or in communities adjacent to those heavily damaged communities). The program also included an initial reserve for Ocean, Monmouth and Atlantic Counties. This information and scoring criteria is on HMFA's website, [here](#).
- The Tenant-Based Rental Assistance Program (TBRA), while open to all households at 80% or less of Area Median Income (AMI), prioritizes funding first to households at 30% or less of AMI. The program will utilize FEMA damage data to distribute the number of vouchers available based on the damage level in each county. The distribution chart is available in the TBRA guidelines.
- The amount and concentration of "severe" and "major" damage within a municipality was a critical factor in determining eligibility for the Unsafe Structures Demolition Program.
- DCA will be using a damage criterion similar to that used in FRM for the forthcoming Neighborhood Enhancement Program. That program will consider FEMA data for both homeowner damage and rental unit damage on a community-by-community basis.
- The extent of damage sustained by a municipality was a scoring factor for different components of EDA's Neighborhood and Community Revitalization program.
- One of the scoring criteria for the new Flood Hazard Risk Reduction and Resilience program administered by DEP is the number of repetitive flood loss properties (and severe repetitive flood loss properties) that will benefit from the proposed project, again tying which projects get funded to damage.

While the extent of damage is an important metric in targeting recovery relief, there are other considerations that must be taken into account in order to maintain compliance with federal law. As one example, the Disaster Relief Appropriations Act of 2013 requires that the State ensure that 50% of all CDBG-DR funds are expended for the benefit of LMI individuals, businesses and communities. That requirement applies irrespective of the extent of damage sustained by individual counties or where that damage was most concentrated.

COMMENT 5

ALLOCATION FOR LMI INDIVIDUALS AND COMMUNITIES

A commenter questioned the State's targeting of CDBG-DR funds to LMI households, and stated that many non-LMI households still have significant unmet disaster needs that should be addressed rather than continuing to fund LMI-focused programs. Various commenters stated that no additional CDBG-DR funds should be used for rental programs, or specifically for the Fund for Restoration of Multi-Family Housing, and instead that funding should be used for homeowners. Some of these commenters further stated that this funding should be prioritized to assist middle-class homeowners. One commenter stated that funding should not be prioritized for low income housing based on demands of special interest groups, and instead should be prioritized for middle class homeowners. Another commenter stated that remaining funding should be targeted exclusively to individuals and communities with comparatively less financial means.

Staff Response:

Per HUD regulations, including Federal Register Notice FR-5696-N-01, New Jersey is required to expend at least 50% of aggregate CDBG-DR funds received throughout the course of recovery to directly benefit LMI individuals, households, businesses or communities.

The State recognizes that the federal definition of LMI is narrow, and that there are many households with significant needs that require assistance that are not considered by HUD to be LMI households. The State has sought through its programs to assist this population as well. For example, households with an adjusted gross income of \$250,000 or less, and that met all other eligibility requirements, could receive assistance through the RREM Program. With the third round funding, all eligible households on the RREM waitlist will be funded. All eligible LMI and non-LMI applicants for the Homeowner Resettlement Program received funding. By operation of federal SSBG regulations of the U.S. Department of Health and Human Services, income could not be a factor in disseminating SHRAP funding. The forthcoming Rental Assistance Program for eligible RREM and LMI Homeowners Rebuilding Program applicants (referenced

in response to Comment 2 above) also is funded with SSBG monies, so that program also will not use income as a funding factor.

Regarding the third round allocation for rental programs, as identified in New Jersey's CDBG-DR Action Plan, damage to rental units from Sandy was substantial, and the recovery programs targeting the repair or replacement of damaged rental units is critical to stabilizing the rental markets and providing affordable housing. In terms of the funding allocation to rental programs from the third round of CDBG-DR funds, these allocations were set based on obligations assumed by the State under a contractual agreement between HUD, the State and certain advocacy groups. The State must satisfy those contractual obligations.

COMMENT 6

FUNDING FOR NON-PROFITS; VOADs; LONG-TERM RECOVERY GROUPS

Numerous commenters praised the work of long-term recovery groups (LTRGs), and advocated for additional funding for non-profits, voluntary groups active in disasters (VOADs) and LTRGs to provide direct services to individuals.

Staff Response:

The State recognizes the important contributions made by the LTRGs and VOADs throughout the recovery process. As stated in greater detail in response to Comment 14, however, there are not sufficient third round CDBG-DR monies to fund activities beyond the rental programs and clearing the RREM waitlist.

COMMENT 7

PERFORMANCE METRICS

Some commenters asked how DCA was satisfying HUD requirement in the Federal Register Notices for program metrics for CDBG-DR funded programs. One commenter stated that the Quarterly Performance Reports required by HUD are not sufficient to satisfy the program metrics requirement.

Staff Response:

Per the Federal Register Notice FR-5696-N-01 and FR-5696-N-06, DCA had up to 90 days after the approval of its CDBG-DR Action Plan (allocating first round CDBG-DR funds) as well as Action Plan Amendment 7 (allocating second round CDBG-DR funds) to prepare a non-substantial amendment to its Action Plan providing performance metrics. Action Plan Amendment Nos. 2 and 10, both of which have been approved by HUD and are available on DCA's website renewjerseystronger.org, satisfy this requirement.

For third round funding, FR-5696-N-11 likewise requires DCA to submit a non-substantial Action Plan Amendment to HUD reflecting performance metrics for

third round CDBG-DR funds 90 days after HUD approval of Action Plan Amendment No. 11. DCA will timely comply with that requirement.

The Quarterly Performance Report is a required format standardized among all CDBG-DR Grantees. There is no flexibility in the reporting format. The State has submitted each QPR on time and has received HUD approval.

COMMENT 8
WASTE, FRAUD AND ABUSE

Various commenters expressed concerns about waste, fraud and abuse, as well as contractor oversight. A number of comments requested additional support for homeowners in the management of construction, including standardized contracts for builders, more detailed specifications on eligible line item costs, and a scope of service with identical tasks and line-item content. Some commenters noted overcharges and price inflation by contractors and excessive contractor turnover creating situations where construction could not be completed. One commenter expressed concern about the recourse for individuals who have issues with the work performed by their builder.

Staff Response:

DCA has developed a system of internal controls to curb waste, fraud and abuse in its CDBG-DR funded recovery programs. In accordance with HUD regulations, DCA is required to obtain and review extensive amounts of information and supportive documentation related to program eligibility, contractor expenditures, among other things. In addition to reviews conducted by program staff, DCA has a separate internal compliance team that routinely monitors and reviews program policies and administrative costs concerning their effectiveness and risks associated with waste, fraud and abuse. Pursuant to N.J.S.A. 52:15D-1, *et. seq.*, Navigant Consulting, Inc. (Navigant) was retained by the Department of Treasury to serve as DCA's external integrity monitor. Accordingly, Navigant is tasked with reviewing contractor invoices and other financial and programmatic risks inherent in the CDBG-DR programs. DCA also works closely with the New Jersey Attorney General's Office and our state and federal partners to investigate and identify fraudulent activity within the CDBG-DR programs.

Apart from the internal steps taken by state agencies to monitor CDBG-DR programs for waste, fraud and abuse, HUD conducts routine monitoring visits that evaluate program compliance with HUD regulations.

Regarding contractor oversight and recourse in the RREM Program, DCA manages its process based off the homeowner's RREM Pathway. Homeowners utilizing a program-selected contractor (Pathway C) are provided a

standardized contract and receive on-site inspections prior to funds being disbursed to the contractor to ensure work is completed properly to program standards. Homeowners utilizing an owner-selected contractor (Pathway B) are provided a mandatory contractor addendum that defines the terms and conditions the contractor must meet in performing the necessary repairs to the project in compliance with federal guidelines. Additionally, DCA has established a partnership with the Division of Consumer Affairs, Office of Consumer Protection, to ensure contractor complaints are properly referred for investigation and enforcement. DCA always verifies contractors are properly licensed and not on the State or federal debarment list prior to homeowners proceeding on remaining construction.

**COMMENT 9
TRANSPARENCY**

Various commenters asked about how the State is making information regarding recovery publicly available, including the amounts spent on contractors and the amount disbursed through programs. One commenter specifically requested the release of all reports generated by CohnReznick.

Staff Response:

The State is committed to transparency in recovery and providing information necessary to allow individuals to make informed decisions regarding recovery programs. As recovery has progressed and issues have been identified by the State, by local officials, by stakeholder groups or by residents regarding transparency, the State has sought to address those issues, and it will continue to do so. There is no playbook for storm recovery; New Jersey has never had to respond to a disaster on the size and scale of Superstorm Sandy. As the State continues to progress in recovery and obligate and disburse federal recovery funding, it will continually examine ways to enhance transparency, including based on input from the public and recovery partners. The State therefore appreciates all comments received on this subject.

Information about all Sandy-related contracts executed by State departments or agencies is available on the Office of the State Comptroller's Transparency site (<http://nj.gov/comptroller/sandytransparency/index.shtml>), available [here](#). Additionally, the Comptroller's Transparency site includes a funds tracker, which details the expenditure of the various federal disaster funding streams at the county and municipal level. DCA also maintains information on its website (renewjerseystronger.org) regarding allocations and disbursements of CDBG-DR funds. The State's Quarterly Performance Reports are available on DCA's site, and provide detailed information regarding the progress of the State's various recovery programs.

Finally, CohnReznick was retained by DCA as an internal program and policy advisor and monitor to assist with compliance and help streamline program administration. To ensure there can be an open dialogue with program staff, its work product is advisory, privileged and confidential, and will not be released. Navigant was the integrity oversight monitor retained by Treasury to work with DCA and prepare reports in satisfaction of the requirements in the state integrity monitoring legislation, and the State makes Navigant's reports publicly available, consistent with that legislation.

COMMENT 10
COMMUNITY ENGAGEMENT AND OUTREACH

A few commenters asked for information regarding community engagement and outreach, desiring to become more involved in the Sandy recovery process. Other commenters advocated for more extensive outreach to vulnerable populations.

Staff Response:

The overall outreach efforts undertaken for new programs such as the LMI Homeowners Rebuilding Program, Tenant-Based Rental Assistance Program, and Sandy Recovery Housing Counseling Program is carried out in partnership with the Housing and Community Development Network of New Jersey (the "Network"), a community-based organization comprised of over 250 partner organizations throughout the State. The Network has reached out to its member organizations to ensure that outreach and marketing activities are targeted to the diverse communities impacted by Superstorm Sandy.

A comprehensive outreach and marketing effort began at the start of December 2014 to inform low-to-moderate-income (LMI) and limited English proficiency (LEP) individuals and families who were impacted by Superstorm Sandy about the CDBG-DR housing recovery programs for which they may be eligible to receive assistance. From door-to-door canvassing, community events and meeting presentations to advertisements on radio, cable TV, websites, mobile devices, social media and movie screens, overwhelming progress has been made in reaching Sandy-affected households of limited financial means who may have limited proficiency in English. Target areas were identified using extensive data from the LEP Four-Factor Analysis. This data allowed DCA to identify communities with LMI residents with substantial levels of damage and also identified areas of residents with limited English proficiency (LEP). This data was then shared with the Network and its partners to assist effective outreach in the various areas. As a result, DCA has leveraged existing strong relationships between the members of the Network and Sandy-impacted communities. These efforts have helped to increase the amount of community engagement associated with the outreach efforts.

DCA and its outreach partners have reached nearly 86,000 people through canvassing, community events and other outreach activities in the nine most impacted counties and distributed nearly 104,000 pieces of outreach material, touching each of the 11 languages identified in the LEP Four Factor Analysis.

In addition, a paid media marketing campaign is running in the nine most impacted counties and directs people to the reNewJerseyStronger website and the 1-855-SANDYHM phone number for information on housing recovery programs and free housing counseling services. The marketing campaign has been developed to ensure that each of the most impacted counties and every LEP population is reached at least once, with Spanish language individuals being reached multiple times in several different mediums. To that end, media mediums and outlets have been selected based on audience size and demographics to yield the greatest exposure across the nine counties.

The outreach and marketing message specifically encourages Sandy-impacted residents to seek additional, personalized assistance from the newly established Sandy Housing Counseling Program. The Housing Counseling Program was developed by DCA to provide a wide range of counseling services to both renters and homeowners impacted by Superstorm Sandy. The Housing Counseling Program is a collaboration of HUD certified, non-profit, community-based organizations which provides assistance with application intake for the LMI Homeowner Rebuilding Program and the TBRA program. Counselors assist with application intake as well as other supportive services such as foreclosure prevention and debt management. The Housing Counseling Program has created another avenue for those still very vulnerable populations to be directly engaged by community organizations.

COMMENT 11
ACCESSIBILITY FOR PERSONS WITH DISABILITIES

A commenter stated that the Action Plan sections relating to accessibility for persons with disabilities should contain additional detail, including (i) types of auxiliary aids and services that may be requested by applicants; (ii) what remote counseling consists of and how are accommodations made for reviews best done in-person; and (iii) an explanation of training for “deployable personnel.”

Staff Response:

Housing Advisors, Housing Recovery Program personnel, support staff, and RREM contractors train jointly for eight hours monthly. At these trainings, accommodations for individuals with disabilities, limited English proficiencies, and the elderly are discussed. These accommodations include off site support with Housing Advisors meeting the homeowners in their homes when

transportation is unavailable. Additionally, TTY phone services for the hearing impaired are offered through the NJ211 call center, Braille and translated documents are supplied through the contracted translation services, and interpreters are available to assist with special needs. DCA has several Housing Advisors that are fluent in many languages including sign language. The policies surrounding these accommodations are reviewed and the services reiterated to all staff at the training sessions.

Furthermore, any contact with an applicant provides the Housing Advisor the opportunity to assess and determine if assistance is needed for Limited English Proficiency. The funding package and any written communication is accompanied by an I-speak brochure offering assistance in multiple languages. If a phone conversation takes place and there is a determination made that the applicant could benefit from Language assistance, the services of the language line or Housing Advisor proficient in the language is utilized. As a home owner enters a Housing Recovery Center, there is a large display of the I-speak poster allowing an applicant to identify the language they are most comfortable with. Each of the Housing Advisors has a smaller version of the I-speak card in their office or cubicle. In any instance where a language other than English is requested, the Housing Advisors can request and will receive translated copies of all documents required for a grant to be signed. All of the on-line resources are translated in Spanish and the language offering is prominent at the top of the renewjerseystronger.org website.

COMMENT 12

LANGUAGE ACCESS PLAN – LIMITED ENGLISH PROFICIENCY

A commenter expressed concern that DCA's commitment under the LAP to provide language access does not conform with HUD requirements that document translation is required for target areas where the LEP population is 5% of the target area, or 1,000, whichever is less. The commenter also stated that the amendment conflates requirements for interpretation with requirements for translation. The commenter stated that, for clarity, the LAP should clearly identify commonly used terms in the LAP. The commenter also sought protocols for how language assistance will be provided, and stated that such protocols should be specified in greater detail in the LAP, including an identified list of documents that will be translated and into which languages. Finally, the commenter sought additional information on the contracted entity that is providing translation services for program materials.

Staff Response:

The LAP has recently been updated and defines the terms interpreter and translator, making clear the distinction between oral and written

communication services. The updated LAP contains a “definitions” section of key terms in the appendix. In addition, the updated LAP effectively describes when each tool will be utilized: the language bank and language line are used for interpretation while translation services are provided by the state contracted translator. All Housing Recovery Centers are equipped with “I-Speak” cards utilized by the staff to assist any person with limited English proficiency. The housing counseling agencies participating in the Housing Counseling Program have also been trained on the use of the language line and the “I-Speak” cards in order to assist any applicant of limited English proficiency. An in-depth description of the implementation of services can be found in DCA’s policies and procedures and training materials.

The State is utilizing a leader in the foreign language translation industry to provide translation of program materials. All projects are handled by a team of three native speakers of the target language: a translator, an editor and a proofreader. For consistency, the translation firm utilizes translation memory software and a variety of other glossary building tools.

COMMENT 13
SECTION 3 COMPLIANCE

A commenter asked about steps being taken by the State to comply with Section 3.

Staff Response:

Section 3 is a federal requirement that the State provide job training, employment, and contract opportunities for low- or very-low income residents in connection with certain projects and activities funded with CDBG-DR funds. Additional information regarding Section 3 can be found on HUD’s website, available [here](#). The State provided initial training to all CDBG-DR program staff and Subrecipients at the onset of the Sandy related programs.

In an effort to provide as much information and support for Section 3 compliance as possible, the State has recently procured a firm with subject matter expertise on all aspects of Section 3. A Section 3 Plan and Implementation Guide have been developed and submitted to HUD for review and approval. Once HUD approves the Plan and Implementation Guide additional trainings will be held for program staff responsible for Section 3 Compliance. The State is committed to working with program staff and Subrecipients to ensure full understanding of and compliance with Section 3 requirements. DCA’s Section 3 Policy is available [here](#).

COMMENT 14

RREM – INCREASING GRANT AMOUNT

Some commenters stated that the amount of the total available RREM award should have been greater than \$150,000 so that households have more funding available for construction. These commenters stated that even after maximizing RREM funding, some households still have significant unmet rebuilding needs.

Staff Response:

While the State appreciates the commenters' suggestion, the federal government did not provide enough funding to increase the maximum RREM award beyond the \$150,000. If the State were to choose to increase the maximum grant award, a significant number of eligible RREM applicants would not have received any recovery assistance through the RREM Program. Even with this final round of CDBG-DR funding, the State had to repurpose \$30 million of second round CDBG-DR funds to RREM to fund the existing waitlist. Therefore, if, for instance, the State were to have doubled its maximum RREM award, all RREM Program assistance would have been expended before up to half of the eligible RREM population was funded. That is thousands of eligible households that would receive no RREM assistance at all.

COMMENT 15

RREM – APPLICATION DEADLINES

Some commenters stated that they were not aware of application deadlines for housing recovery programs, including the RREM application deadline, and therefore did not apply for the program.

Staff Response:

DCA did extensive outreach in connection with its homeowner programs in areas impacted by Superstorm Sandy, and emphasized reaching LMI communities. Among other things, during the two-month application period for the RREM Program, LMI neighborhoods were canvassed with flyers and door hangers in many Sandy-impacted towns, including Atlantic City, Carteret, Jersey City, Keansburg, Little Egg Harbor Township, Long Branch, Union Beach and Wildwood. DCA also advertised the RREM Program in newspapers and on radio stations, including Spanish-language outlets and outlets that serve LMI communities. In addition, DCA reached out to a diverse group of partner organizations that assist low- and moderate-income families. DCA partnered with mayors and local officials to provide recovery information to affected communities, and numerous mobile cabinets also were held in various impacted communities. These are some examples of the considerable outreach during the more than two-month RREM application period.

Notably, to ensure that those most in need have access to funding, the State created the LMI Homeowners Rebuilding Program using second round CDBG-DR funds. That program is open to LMI households that meet all RREM eligibility criteria, but did not apply to the RREM Program, and outreach is being coordinated by DCA and the non-profit Housing and Community Development Network of New Jersey. Of the \$40 million, \$10 million has been initially reserved for owners of manufactured housing/mobile homes. The application deadline for the LMI Homeowners Rebuilding Program is March 4, 2015 at 5:00 p.m.

Since the start of December 2014, DCA has conducted a comprehensive outreach and marketing effort to inform LMI and limited English proficiency (LEP) individuals and families who were impacted by Superstorm Sandy about the LMI Homeowners Rebuilding Program and other housing recovery programs for which they may be eligible to receive assistance. From door-to-door canvassing, community events and meeting presentations to advertisements on radio, cable TV, websites, mobile devices, social media and movie screens, overwhelming progress has been made in reaching Sandy-affected households of limited financial means who may have limited proficiency in English.

COMMENT 16

RREM – ADMINISTRATION

Several commenters expressed frustration with different administrative components of the RREM Program and the speed at which RREM Program funding is being disbursed. Some commenters stated that they received conflicting, confusing or incorrect information about the program or their grant status. Other commenters indicated that they had challenges contacting persons knowledgeable about their application because of high caseloads and staff turnover, and that they had to wait for long periods before receiving responses to messages. Some commenters cited problems with misplaced paperwork and limited program oversight, and advocated for more streamlined program administration, including publication of a list of outstanding documents and additional steps needed for eligible RREM applicants to receive funding. Other commenters expressed continued frustration with the extent of RREM Program requirements that must be satisfied to receive funds. Many commenters summarized their comments by indicating that the State has not implemented an effective and efficient RREM process, and expressed that the rebuilding process for current grantees and those now taken off the RREM waitlist should be expedited.

Staff Response:

Since DCA took over the day-to-day administration of the RREM Program in early 2014, it has made numerous changes to streamline the RREM process to

simplify the program for applicants. DCA routinely evaluates opportunities to simplify and expedite the RREM process for applicants while ensuring compliance with applicable federal rules and regulations. While pending receipt of its second and third rounds of CDBG-DR funds from HUD, and following an expansion by HUD of its CDBG-DR reimbursement policy, DCA proactively completed environmental reviews for all responsive RREM applicants then still on the RREM waitlist to both shorten the processing time for applicants to move to grant signing and to end the “blackout” period where HUD prohibits funds from being considered eligible for reimbursement.

Additionally, applicants are now allowed to mail in documents and work remotely with their Housing Advisor to accelerate their movement through the RREM Program. Procedures were amended to allow all eligible RREM applicants to select their own contractor to rebuild their home, provided they are licensed in the State of New Jersey and not debarred by the State or federal government. Further, DCA has allowed for advance grant payments up to 50 percent of the homeowner’s available construction award to provide funds to cover the cost of engineering and to mobilize for their construction work to jump start their rebuilding process.

DCA also has increased communications with RREM participants by launching information sessions on the RREM Program in heavily impacted communities. Nearly 700 homeowners received individual and personal attention by attending one of the nine information sessions that were held in Brick, Brigantine, Little Egg Harbor, Point Pleasant Borough, Toms River, Union Beach, Little Ferry, Stafford Township and Middletown. DCA is scheduling additional information sessions in the first quarter of 2015 to further assist RREM applicants throughout the State. Additionally, DCA has retained HUD-certified housing counselors to assist individuals with housing needs through the Housing Counseling Program.

Homeowners moving through the pre-grant signing process are sent a detailed checklist of eligibility criteria that must be met and the applicable documentation that may be submitted to quickly verify eligibility. Similarly, for the post-grant signing process, DCA provides a checklist and summary package of required documentation that must be provided to facilitate disbursement of construction payments and clearly articulates the applicable construction requirements that must be followed to comply with federal rules, along with “Tip Sheets” that provide further guidance on specific construction-related topics. All this information and more is publicly available on DCA’s redesigned website (renewjerseystronger.org) where a detailed explanation of the RREM

process, construction requirements and critical forms and documents are all easily accessible.

These efforts are showing results. After disbursing \$97 million in RREM funds during 2Q 2014, disbursements increased to \$103 million in 3Q 2014, and increased substantially to over \$144 million in 4Q 2014. In total, more than \$360 million has been disbursed to homeowners. More than 6,200 RREM grant agreements have been signed including approximately 1,700 in the fourth quarter of 2014. Initial Site Inspections (ISIs), which are utilized to determine the scope of work for impacted homeowners and allows them to move forward with their grant calculation and onto construction, are another measure of the increased pace of the RREM Program. More than 1,700 ISIs were completed in 4Q 2014, up from 1,501 in the previous quarter. DCA projects that RREM disbursements will continue to increase as more homeowners progress through the construction phase of the RREM process, and DCA will continue to evaluate opportunities to streamline the program.

That said, home construction ordinarily is a cumbersome process. Financing, permitting, materials, contractor availability, utility disconnections, weather and other assorted challenges, many of which may be unique to each home or homeowner, all factor in to the significant time generally required to reconstruct a home. With the RREM Program, cumbersome federal regulatory requirements – environmental and historical reviews; duplication of benefits analysis; validating primary residency and income; lead and asbestos inspections; cost reasonableness of all facets of construction, to name a few – are layered on top of those ordinary challenges of construction, significantly adding to the time required for home reconstruction. DCA fully understands the frustration of homeowners still displaced because they are in the pre-construction or construction phases of rebuilding through the RREM Program, and is working every day to simplify the process. But the process by its nature is extremely time-consuming. One need only look to the housing rebuilding experiences following other disaster events as evidence of the cumbersome nature of housing reconstruction using federal recovery funds.

COMMENT 17

RREM – APPLICATION & APPEAL RESPONSE PERIODS

A commenter suggested that all decisions on the funding of complete and submitted RREM applications be made by DCA within 30 days, that DCA complete all appeals relating to RREM applications within 60 days, and that DCA should notify the applicant and HUD as soon as possible in any instances where those timelines cannot be satisfied, including explanations for the reasons why additional time is needed and an explanation of the estimated timeline for response.

Staff Response:

The State appreciates the comment and agrees with the commenter regarding the importance for applicants of timely RREM funding and appeals determinations. As stated above, DCA has taken various steps to increase communication and engagement with RREM applicants regarding the status of their application and next steps in the process.

Despite DCA's agreement with the principle of the comment, and its commitment to timely engagement as shown through its increased engagement, DCA cannot adopt a 30-day or 60-day policy for communicating funding determinations or appeals. Apart from the uniqueness of each individual application, there are instances where DCA simply cannot provide additional information to RREM applicants, such as when an application is under review for compliance issues or fraud.

COMMENT 18

RREM – REIMBURSEMENT

Several commenters expressed frustration because they were denied RREM funding to reimburse repairs that were done while they were on the waitlist, awaiting funding. Their frustration was compounded by having to wait for a long period of time to begin rebuilding, without knowing when funding would be provided, and they could not afford to wait any longer before beginning repairs. One commenter asked when the waitlisted RREM applicants that will be funded through the third round of CDBG-DR monies likely will receive funding.

Staff Response:

The State understands and appreciates the commenters' frustration, which arises out of the timing of federal disaster relief and the federal policy on reimbursement.

With respect to timing, the State received official notice of its three allocations on March 5, 2013, November 12, 2013, and October 16, 2014. DCA only could move applicants off of the waitlist once it had sufficient funding available to cover rebuilding costs. Therefore, the State did not know whether it would have sufficient funding to clear the waitlist until the third federal register notice was issued on October 16, 2014.

With respect to the reimbursement policy, at the outset of the recovery, HUD prohibited using CDBG-DR funds for reimbursing any rebuilding expenses. HUD subsequently modified its reimbursement guidance, stating that eligible repair costs incurred before *the earlier of* (i) applying for federal reconstruction assistance, or (ii) the one year anniversary of Sandy, could be reimbursed.

While this provided relief to some New Jerseyans, most had not begun rebuilding by May 2013, when the RREM Program began accepting applications.

By May 2014, the State sought to engage all RREM participants, including those on the waitlist, to obtain Right of Entry forms in order to expedite the environmental review process so all program applicants could begin repairs after that review without threatening their eligibility for CDBG-DR funding.

The State recognizes that many homeowners on the RREM waitlist had to begin rebuilding their storm-damaged homes prior to the State initiating their environmental review. Others understandably wanted to get back in their homes as quickly as possible. The State likewise understands that not knowing when, or how much, additional CDBG-DR funding would be allocated to the State and then added to the RREM Program created uncertainty for many homeowners' recovery decisions. Nevertheless, HUD's guidance on eligibility for reimbursement is clear, and the State must adhere to that guidance.

Finally, consistent with HUD regulations, DCA will submit proposed Action Plan Amendment No. 11 to HUD for approval in mid-February. HUD then has up to 60 days to approve the Action Plan. Assuming HUD approval and accounting for some additional procedural steps that must be taken following HUD approval, the State estimates that it will be able to draw down on third round CDBG-DR funds in May 2015. That said, based on expected cash flow analyses, DCA already has begun moving homeowners that remained on the RREM waitlist after the second CDBG-DR allocation through the grant signing phase of the RREM Program to expedite rebuilding for those homeowners once third round funding can be drawn down.

COMMENT 19
RREM – INCOME ELIGIBILITY

A commenter requested that RREM income eligibility be amended to account for the fact that while certain applicants may have had an annual adjusted gross income in excess of \$250,000 when their application was reviewed, years immediately prior to, or after, the year analyzed for RREM eligibility purposes may show adjusted gross income of less than \$250,000. Another commenter expressed concern about the needs of households with adjusted gross income just slightly in excess of \$250,000.

Staff Response:

Given that unmet housing recovery needs far exceed available recovery resources, the State needed to establish criteria to ensure that program funding went to those who needed funding most, meaning households that sustained the most damage and that have comparatively less means. Even with the \$250,000

adjusted gross income cap for RREM eligibility, RREM Program demand continued to exceed available resources. With this third and final round of discretionary CDBG-DR funds, the State still had to transition second round funding to the RREM Program to satisfy the existing RREM waitlist.

In response to comments related to income determination for eligibility, an applicant's income must meet eligibility criteria at the time of application in order for that application to be considered for assistance. Once initial eligibility has been determined based on the application, further income review, in accordance with HUD program rules and regulations, is conducted prior to the provision of assistance. This income review includes the requirement that an applicant provide verifiable documentation. If an applicant's income exceeds a program's eligibility requirements at that time, the applicant would be deemed ineligible. In other words, applicants must meet program eligibility both at the time of application and upon signing a grant agreement.

COMMENT 20
RREM – PATHWAYS

Several commenters raised questions or concerns regarding RREM Pathway B (Use Your Own Contractor) and Pathway C (State Managed Contractor). One commenter asked why Pathway C is being phased out of the RREM process. Other commenters requested clarification about whether design costs were eligible expenses for all Pathway B applicants. Other commenters requested assistance for Pathway B applicants, or sought guidance on how to change from Pathway C to Pathway B.

Staff Response:

In July 2014, to allow homeowners greater flexibility in their recovery process and to organize homeowners' construction under one, streamlined approach, DCA consolidated its remaining construction under its Pathway B (owner-selected) model. When doing so, DCA strengthened the protections and safeguards in place for homeowners in Pathway B, including establishment of a mandatory Contractor Addendum and implementation of a retainage built into the grant award.

DCA also implemented a separate design allowance available to applicants in Pathway B as well as Pathway A (applicants who are already complete with construction at time of their Initial Site Inspection). This change was effective for grant signings on or after October 13, 2014.

Applicants who previously chose to use a program-selected contractor (Pathway C) and now wish to switch to Pathway B may do so by completing the *Pathway Change Request Form* and submit said documentation to their Housing Advisor or Project Manager, which is then reviewed and approved by DCA.

COMMENT 21

RREM – PATHWAY C CONTRACTORS AND SUBCONTRACTORS

A commenter expressed concern with the oversight of subcontractors, including subcontractors used under Pathway C. In support, the commenter cited Navigant's recent integrity monitoring report that discussed the vetting of subcontractors. Another commenter also stated that the retention of contractors working under Pathway C was not done in compliance with applicable federal and state procurement laws requiring competitive bidding. The commenter also expressed dissatisfaction with the responsiveness of Pathway C contractors and subcontractors to homeowners' questions. Another commenter asked about the permissible pricing for components of Pathway C rebuilds.

Staff Response:

First and importantly, the Navigant monitoring report determined that all contractors and subcontractors working in the Sandy Recovery effort are permitted to operate in New Jersey. As it relates to the references on page 6 of Navigant's Integrity Monitoring Report, DCA has followed all guidelines and requirements under the state's procurement procedure. Under those guidelines, the State contracts directly with the project manager or the equivalent of a "prime contractor" for Sandy recovery. The RREM project managers are required to certify that the subcontractors are not debarred and are responsible for monitoring the subcontractors on an ongoing basis.

As mentioned earlier regarding contractor oversight and recourse, homeowners utilizing a program-selected contractor (Pathway C) are provided a standardized contract and receive on-site inspections prior to funds being disbursed to the contractor to ensure work is completed properly to program standards. Additionally, DCA has established a partnership with the Division of Consumer Affairs, Office of Consumer Protection, to ensure contractor complaints are properly referred for investigation and enforcement. DCA always verifies contractors are properly licensed and not on the State or federal debarment list prior to homeowners proceeding on remaining construction.

Last, for all RREM Pathways, DCA uses an industry standard cost estimating tool known as Xactimate™, which is the same pricing tool used to develop homeowners' initial grant determinations. The required scope of work for the projects are vetted and reviewed by the designated RREM Project Manager to ensure reasonableness based off engineering and architectural designs and local municipal requirements. This method ensures that the scope of work developed for the project and the pricing for the scope are built off a reasonable standard.

COMMENT 22

RREM – ADDITIONAL CONSTRUCTION FUNDING

Various commenters acknowledged that RREM is intended to be a gap funding program to satisfy unmet needs in rebuilding, but expressed concern that even after accounting for RREM and other available funding, they still had an unmet need that they could not satisfy in order to rebuild a home that would receive a Certificate of Occupancy. Some commenters further stated that there is a risk of de-obligation of funds arising from homeowners receiving CDBG-DR funding who cannot rebuild a structure that is compliant with applicable federal and state regulations. One commenter asked whether having a FEMA number is a requirement to receive housing counseling services.

Staff Response:

The State recognizes that there are a number of households that still have an unmet need even after accounting for available recovery assistance including private insurance, SBA loans, CDBG-DR funds and other funding sources. The State likewise recognizes the de-obligation risks associated with using federal recovery funds toward rebuilding structures arising from compliance requirements imposed by federal and state regulations. While there is no perfect solution in light of limited financial resources, applicants are encouraged to work with their contractors to scale their housing project in the most cost-effective manner. Moreover, the State offers free HUD-certified housing counseling services to RREM applicants (and other Sandy-impacted individuals). The counselors are available to assist with developing a customized plan to address the unmet need.

Finally, a FEMA Number is NOT required to receive housing counseling services.

COMMENT 23

RREM – GRANT EXTENSIONS

Commenters are seeking additional information concerning the circumstances under which a RREM grant can be extended to complete construction. Another commenter inquired, because he signed an initial grant agreement and then a revised grant agreement, whether the one-year construction period, not accounting from possible extensions, begins from the date of the initial agreement or the revised agreement.

Staff Response:

DCA is granting up to two ninety day extensions to RREM applicants on the one-year deadline following grant signing for construction to be completed, provided that the applicant reasonably can show active steps toward completing

construction and a justifiable reason why construction will take longer than one-year from the date of initial grant signing.

COMMENT 24

RREM – PRIORITIZATION BASED ON FLOOD INSURANCE

A commenter stated that RREM applicants who carried flood insurance should be prioritized for funding ahead of applicants who did not carry flood insurance.

Staff Response:

During the course of the recovery, the State has received comments both that the State should first prioritize RREM applicants who carried insurance because they acted responsibly, and separately that the State should prioritize RREM applicants that did not carry insurance, because insured applicants already have money to rebuild, and uninsured applicants have less recovery resources with which to rebuild. The State respectfully disagrees with both positions.

The State does not believe that affected, uninsured property owners should be cut-off from critical recovery assistance. The State likewise is aware based on the required duplication of benefits analysis that even with insurance funds, many RREM applicants still have significant unmet needs. As a result, the State has not amended criteria for its housing programs to incorporate a prioritization based on whether or not a property owner is insured. Finally, with this third round of CDBG-DR funding, all eligible RREM applicants (insured or uninsured) will be funded.

COMMENT 25

RREM – PRIORITIZATION BASED ON DAMAGE OR DISPLACEMENT

A commenter stated that RREM applicants who sustained greater damage should be prioritized above applicants who sustained comparatively less damage. Another commenter stated that RREM should prioritize first applicants who are currently displaced from their homes.

Staff Response:

The State agrees with the commenter. The RREM Program prioritized RREM applicants that sustained “substantial damage” (i.e., costs to repair the home exceed more than 50% of the home’s pre-storm value) over eligible applicants who sustained comparatively less physical damage to their homes.

As to prioritization based on displacement, with this third round of CDBG-DR funds all eligible RREM applicants will be funded.

COMMENT 26

RREM – REBUILT HOMES

Some commenters asked how DCA is tracking the number of homes rebuilt through RREM that receive a Certificate of Occupancy.

Staff Response:

DCA is closely monitoring the number of homes rebuilt through RREM that receive a Certificate of Occupancy. Homeowners using an owner-selected contractor (Pathway B) are required to provide a copy of their Certificate of Occupancy or equivalent upon completion of construction to their RREM Program Manager. A restrictive covenant is recorded on these properties that is only released upon provision of a Certificate of Occupancy, along with additional supporting documentation, and passing of a final inspection. Homeowners utilizing a program-selected contractor (Pathway C) are similarly tracked based off of provision of a Certificate of Occupancy and completion of a final inspection.

COMMENT 27

RREM – ESCROW ACCOUNTS

Commenters questioned the need for homeowners to place funds in escrow account, and the requirements and timelines governing funds placed in escrow.

Staff Response:

For homeowners using a program-selected contractor (Pathway C), all disbursements of funds to the selected builder are initiated directly by the RREM Program upon on-site inspections documenting satisfactory completion of work. Because disbursement of funds is contingent upon having both RREM grant funding and any homeowner private funds secured ahead of time, DCA utilizes escrow accounts to deposit and disburse these monies. Proper management and disbursement of these funds are protected through an Escrow Agreement signed by DCA and the homeowner. Homeowners are provided instructions for depositing funds into escrow upon finalization of the construction scope of work and preparation of a grant award calculation reflecting the finalized costs (referred to as the Step 8 meeting).

Homeowners who do not wish to deposit funds into escrow may utilize an owner-selected contractor (Pathway B), by which the homeowner pays their selected contractor directly, and the RREM Program disburses grant funds directly to the homeowner upon execution of a construction contract and verification of bills, invoices and supporting documentation.

COMMENT 28

RREM – LOCATION OF OCEAN COUNTY HOUSING RECOVERY OFFICE

A commenter asked why the Housing Recovery Center for Ocean County is not located nearer to the shore.

Staff Response:

In identifying locations for the Housing Recovery Centers, the State needed to identify facilities within each of the nine most-impacted counties that met certain criteria. Each location was chosen based on space requirements, parking capacity, remodeling costs and required time to become operational.

COMMENT 29

RREM – BULKHEADS & DECKS

A commenter expressed frustration that RREM Program funds cannot be used toward costs of repairing bulkheads and decks.

Staff Response:

DCA has issued guidance through its Policies and Procedures and its Minimum Housing Rehabilitation Standards as to how it treats various potential construction issues, including bulkheads and decks. The State is responsible under federal guidelines to ensure any money disbursed to homeowners is reasonable and necessary for the rehabilitation, reconstruction and/or elevation of houses to a safe and livable standard. Accordingly, as bulkheads and retaining walls are not a part of the actual residential structure, DCA can only consider these eligible costs if they are required by the municipality to comply with code and for issuance of a Certificate of Occupancy. In regards to decks, the RREM Program provides grant funds for decking required for ingress/egress points to the property. If it is determined cost reasonable to repair and elevate an existing, larger deck than to demolish and build a new, standard deck, the program provides grant funds for preservation of the existing deck.

Notably, homeowners in Pathway B are free to install any sized decking and any additional enhancements they wish to pursue. However, DCA is obligated to ensure that the amount of grant funds appropriated for these repairs is a fair and reasonable amount.

COMMENT 30

STAFFING

A commenter asked how staffing needs are evaluated by DCA to ensure that enough qualified personnel are available to address the demands of CDBG-DR funded recovery programs. The commenter also asked about training for staff members regarding the recovery programs. The commenter also suggested that a team of law

students be employed as case workers to help individuals with the recovery programs, and that students should be given course credit for that service. The commenter also suggested that executives from large New Jersey companies be required to take on program management responsibilities for recovery programs. Another commenter asked whether the State could hire additional advisors with construction management experience to assist people who are rebuilding with federal funding.

Staff Response:

DCA has a Human Resources Manager on staff specifically tasked with understanding operations and working with leadership and at the programmatic level to identify and evaluate staffing needs on a regular basis. Additionally, there is dedicated staff responsible for creating and delivering ongoing trainings on policy, program changes and various other topics, as needed.

While the State recognizes that many individuals need assistance navigating recovery programs, the State respectfully disagrees with employing law students as case managers. Liability concerns and lack of experience with recovery programs are among the risks that make this suggestion untenable. The State likewise disagrees with the suggestion that executives from New Jersey companies unfamiliar with the various laws and regulations that govern recovery funds should have to leave their jobs and be required to become program managers for recovery programs.

Last, the State utilizes two construction management firms, CBI Shaw and Gilbane Building Company, to provide construction management technical assistance to homeowners through their construction process. Each applicant is assigned a specific point of contact (referred to as a Project Manager), that meets with the homeowner to review construction requirements and assists with construction-related questions and facilitates processing of payments to draw down on remaining grant funds for construction. As the number of applicants moving through initial intake, eligibility processing and grant signing subsides as a result of the progress made to date, DCA anticipates transitioning resources to continue supporting homeowners' construction efforts that are rebuilding in the RREM Program.

COMMENT 31

**PERMITTING REQUIREMENTS; FUNDING FOR PERMITTING; VARIANCES;
COOPERATIVE PURCHASING**

Some commenters expressed frustration with the time needed to get local permits for elevations and for utility work, and requested funding for local municipalities to

hire staff to handle the influx of permit applications associated with Sandy-related reconstruction. One commenter expressed frustration that housing designs did not account for all types of existing footprints and so construction outside of the existing footprint necessitated variances from local land use boards. Another commenter recommended increased communication with local municipalities to better ensure that RREM-funded construction plans conform to municipal building codes. Another commenter asked why homeowners cannot form a cooperative to purchase rebuilding materials at lower cost. An additional commenter stated that the State should mandate that all localities waive fees (e.g., costs of permits) in connection with Sandy rebuilding.

Staff Response:

DCA is administering a building code enforcement initiative to assist hard hit communities in conducting building inspections. The initiative has helped ensure that structures are safe for occupancy and up to code. In just the fourth quarter of 2014, approximately 8,500 building code inspections were conducted under this program. These inspections were completed in Sandy-impacted towns such as Bay Head, Brick, Keansburg, Lavallette, Little Egg Harbor, Manasquan, Mantoloking, Point Pleasant Beach, Point Pleasant Borough, Seaside Heights, Seaside Park, Stafford Township, Toms River, and Union Beach.

Complementing the building code enforcement initiative, the State developed the Zoning Code Enforcement Grant Program to provide financial support to municipalities related to the enforcement of state and local development and zoning code regulations. Grant funds are intended to increase capacity at the local level to be responsive to the increasing needs in support of construction and the overall recovery efforts. Through the end of the fourth quarter of 2014, a total of \$152,000 in funding had been expended to assist the Sandy-impacted towns of Brick, Lavallette, Little Egg Harbor, Toms River, and Union Beach. These towns had submitted invoices to DCA seeking reimbursement. DCA anticipates providing additional assistance to these towns in upcoming quarters. Also, the communities of Highlands, Keansburg, Little Silver, Sea Bright, Seaside Park, Stafford, and West Wildwood have requested assistance through this program and DCA expects to receive invoices for reimbursement in the coming quarters.

The State appreciates the comment regarding the variability of footprints, but it is not possible to account in advance for the various types of footprints upon which homes damaged by Superstorm Sandy were built. In a similar vein, while the State is routinely working with municipalities and local code officials, each municipality has its own unique zoning and land use laws, and it is not possible to make all RREM-funded construction plans conform to all unique municipal

zoning and land use laws. Municipalities have procedures in place to address circumstances where a proposed reconstruction plan does not conform to land use restrictions, including, for example, setbacks and height restrictions. That being said, DCA has provided multiple RREM training sessions to building and code officials throughout Sandy impacted areas.

In respect of "home rule," where significant governance determinations are reserved for each locality, the State cannot mandate that localities waive local fees associated with construction.

With regard to homeowners organizing cooperative purchasing of building materials, homeowners are free to pursue this and other avenues as they please when buying supplies and overseeing their construction under Pathway B of the RREM Program.

COMMENT 32

FUNDING FOR MANUFACTURED HOUSING/MOBILE HOMES

Commenters expressed concerns regarding the eligibility requirements for the LMI Homeowners Rebuilding Program as they pertain to owners of manufactured housing and mobile homes. Commenters concerns included: (i) mobile homeowners who would not be eligible because they did not register with FEMA; (ii) the condition of federal housing assistance on compliance with federal elevation requirements; (iii) the condition of federal housing assistance on obtaining and maintaining flood insurance after receiving funds in connection with a previous disaster; and (iv) proof of ownership and other challenges that may arise where an individual owns the mobile home but the park owner owns the mobile home pad site. Additional concerns were expressed regarding the need for additional funding for manufactured homeowners, and some commenters suggested that assistance is needed to address both the needs of owners of manufactured housing as well as flood protection measures for entire manufactured housing/mobile home communities. Another concern was that some park owners may not redevelop the parks damaged by flooding, so owners of mobile homes that lived in those parks will need to move to a new manufactured housing community. One commenter asked whether additional funding would be allocated for mobile homeowners if the program exhausts the \$10 million initial reserve.

Staff Response:

The State appreciates the concerns raised by the commenters. Initially, the LMI Homeowners Rebuilding Program was created to serve LMI homeowners who were eligible for RREM but did not apply during the two-month application period in late 2013. The program would ensure that those most likely to need rebuilding assistance had an additional opportunity to seek that assistance. The

\$10 million initial set aside for manufactured housing and mobile homeowners within the \$40 million program was established to address concerns raised by some mobile homeowners that they received misinformation about their eligibility to apply for RREM during the RREM application period.

The State also recognizes the unique challenges that mobile homeowners may face in using federal recovery funds for rebuilding. Many of the eligibility requirements that give rise to these challenges are driven by compliance with federal regulations. The State identified some of these challenges – elevation and cost reasonableness – in its response to Comment 26 to Action Plan Amendment No. 7, and the commenters have correctly raised additional challenges.

The requirement that individuals who received rebuilding assistance in connection with a previous disaster must obtain and maintain flood insurance to receive future federal construction funding is a federal requirement. Earlier in the disaster, the State requested a hardship exception to this rule, but that request was denied. The need to elevate substantially damaged homes above FEMA's best available flood map data, plus one foot of freeboard, is both a federal and state requirement. Elevation also may complicate utility connections for certain mobile homes. Registration with FEMA assists with validating that the applicant's damage is "tied to the storm." The commenters also correctly point out that additional complication likely will arise in situations where the applicant owns the mobile home, but the park owner owns the pad site. In short, the State has been working extensively with HUD, FEMA (obtain/maintain) as well as the applicants to ensure that funding for manufactured housing and mobile homes for construction complies with all applicable federal regulations.

With regard to mobile homeowners who are displaced due to their mobile home communities disallowing rebuilding in flood-damaged areas, the State will work individually with any affected RREM and LMI Homeowners Rebuilding Program applicants to address their needs. Additionally, while the State will evaluate the commenter's suggestion with regard to new mobile home communities and allocating CDBG-DR funding for flood hazard protection measures for entire mobile home communities, the breadth of the State's unmet housing needs and the limited CDBG-DR resources available to address them likely preclude such an initiative at this time.

Finally, the \$10 million set aside in the LMI Homeowners Rebuilding Program is just an initial reserve to fund owners of manufactured housing/mobile homes eligible under the program. Funding for eligible manufactured housing/mobile

home applicants is not limited to that amount. As with all of its programs, DCA will carefully monitor program demand.

COMMENT 33

LMI HOMEOWNERS REBUILDING PROGRAM

Several commenters expressed concern regarding the LMI Homeowner Rebuilding Program application process, and primarily focused on program eligibility requirements and challenges with the online application submission process, with some focusing on navigating the online application. Some commenters stated that the advertisement and outreach for the program was insufficient, and the timeframe for filing applications is too short. Other commenters stated that the Call Center could not provide information about this program.

Staff Response:

In order to provide homeowners with ample time to apply for this program, the application period has been designated for 60 days, from January 5, 2015 to March 4, 2015. By way of a robust outreach and marketing plan, as well as press releases and direct mailings to homeowners DCA has been able to reach interested applicants and position them to properly apply for this program.

From door-to-door canvassing, community events and meeting presentations to advertisements on radio, cable TV, websites, mobile devices, social media and movie screens, DCA has been conducting a comprehensive effort to reach Sandy-affected households of limited financial means who may have limited proficiency in English.

DCA and its outreach partners reached nearly 86,000 people through canvassing, community events and other outreach activities in the nine most impacted counties and distributed nearly 104,000 pieces of outreach material, touching each of the 11 languages identified in the LEP Four Factor Analysis. The paid media marketing campaign in the nine most impacted counties and in the 11 LEP languages garnered more than 20 million impressions (the potential time an advertisement was viewed by an individual).

Complementing the outreach and paid media marketing, the campaign is utilizing social media. A network of partners in the nine most impacted counties and across New Jersey have posted to their social media sites information about the LMI Homeowners Rebuilding Program and other housing recovery programs that is reaching Sandy-impacted households and those who work with storm-affected residents. Nearly 2,300 posts have been made on partners' Facebook, Twitter, Instagram and LinkedIn accounts. These social media posts have been made in all 11 languages and in all nine most impacted counties.

The process for applying to the LMI Homeowner Rebuilding Program has been carefully designed to be an intuitive and user-friendly system. The renewjerseystronger.org website prominently links people to this application page. Additionally, in anticipation of homeowners unable to use the online system, the Sandy Housing Counseling program provides one-on-one assistance for application intake. In fact, the housing counseling program has been the focal point of much of the outreach materials, thus guiding potential applicants to a service designed to help them navigate the initial steps of the process.

A housing counseling agency exists in each of the nine counties. These agencies have multiple locations and flexible hours to accommodate applicants who may be concerned about balancing their schedules. The staff at each of the housing counseling agencies has received in depth training regarding program eligibility requirements, as well as training on using the online system itself. This allows homeowners to feel confident that the appropriate information is collected from them. At the end of each visit, the homeowner will be provided with confirmation that his/her application has been submitted. In addition to personalized training for the housing counseling agencies, the affiliated call center staff has been trained on how to refer callers inquiring about the LMI Homeowner Rebuilding Program, its application period and the process by which they should apply. The call center has also been provided detailed contact information for the housing counseling agencies in order to assist homeowners who may inquire about the nearest counseling services.

COMMENT 34
FUNDING FOR SECOND HOMES

Some commenters expressed concern that CDBG-DR funds cannot be used for rehabilitation and reconstruction of second homes, and, among other things emphasized the risk of blight and other negative community-wide impacts if second homes cannot be repaired.

Staff Response:

While the State understands the concerns and frustration of second homeowners with properties affected by Superstorm Sandy, HUD's Federal Register Notice FR-5696-N-01 expressly prohibits using any CDBG-DR funds to assist second homes. Unless the second home is a year-round rental property (in which case assistance may have been available through CDBG-DR funded renter programs), providing CDBG-DR assistance for rehabilitation or reconstruction is federally prohibited. The State must comply with this requirement.

COMMENT 35**TENANT-BASED RENTAL ASSISTANCE**

Some commenters expressed concerns about the Tenant-Based Rental Assistance Program (TBRA), including (i) the amount of funding allocated to the program; (ii) the application process and deadline dates; (iii) eligibility criteria; and (iv) lack of information available through the Call Center. One commenter asked that more CDBG-DR funding be set aside for TBRA. The commenter also expressed concern with an online application process that, according to the commenter, could create application challenges for LMI households, the elderly, LEP households and other groups. The commenter also raised concern that the application requests a FEMA Number and an email address, as well as the definition of "income" as used in the application.

Staff Response:

Superstorm Sandy significantly reduced the supply of rental housing stock. At the same time, displacement caused by the storm increased demand for rental housing. The increased demand, coupled with the storm-related depletion of rental stock, substantially increased rents in some areas in the months following the storm. Taken together, the loss of units, low vacancy rates and increased costs created particular hardships for LMI households seeking affordable rental units.

In response to this challenge, the State initially created the Landlord Incentive Program (LIP) to pay landlords to subsidize the cost of rent to make rental housing more affordable, particularly for LMI households. The program focused on subsidizing landlords, rather than directly assisting renters, because of a CDBG-DR regulation that prohibits providing direct income assistance to individuals for a period of more than three months. In November 2013, via FR-5696-N-06, HUD waived the three-month restriction allowing CDBG-DR funds to directly assist renters, rather than having to subsidize landlords. The resulting program, the Tenant-Based Rental Assistance program (TBRA), serves the same goal as LIP – that is, subsidizing the cost of rental units – but affords renters greater choice and more effectively ensures that those taking advantage of the program are households most in need.

TBRA program eligibility requirements were established in conjunction with HUD and housing advocacy groups, and among other things prioritize first eligible renter households at 30% or less of Area Median Income. The program will utilize the HUD Part 5 Annual Income process to determine the income of each applicant. This method takes various forms of income into consideration, including but not limited to wages/salaries, Social Security benefits, unemployment benefits, child support and alimony. The program will also

consider certain assets (ie. checking and savings account) in determining income. FEMA registration is NOT an eligibility requirement for this program and both the application and the website have been updated to make this clarification. Housing counselors have been fully trained on assisting applicants in completing the application. Housing counselors have the ability to complete an application over the telephone in the event the applicant has a disability or simply cannot access a computer. The housing counselors have access to the language line to assist anyone of limited English proficiency. Each of the housing counseling agencies has significant experience in assisting LMI households, LEP households, the elderly and persons with disabilities. The call center staff have been advised of the program requirements and, in the event an applicant needs more in depth assistance, the call center is providing contact information for the nearest housing counseling agency to assist the potential applicant.

A comprehensive Outreach and Marketing plan was created to address concerns about appropriate marketing to renters across the State. One important component of this plan was the creation of a formal partnership between the State and community based non-profit organizations, in collaboration with New Jersey based professional marketing firms. DCA's nonprofit partner, The Housing and Community Development Network of New Jersey (the "Network"), has enlisted its members to undertake door-to-door canvassing activities, specifically in neighborhoods and census tracts in which we expect to see many of the Sandy impacted renters still in need of rental assistance. The marketing plan also describes the use of social media marketing strategies including Twitter messages, Facebook and Instagram posts. The social media messages have been shared in 11 different languages in order to reach LEP communities, as well. Finally, the plan describes paid media activities, including radio, television, and newspaper advertisement, billboards, bus wraps and movie theater advertisements. These activities have been placed in carefully selected markets and, in some cases, have been drafted in languages other than English to ensure maximum accessibility. These marketing and outreach activities have been underway since last fall, well in advance of the application period.

The deadline for applying to the program is March 4, 2015 at 5:00 p.m. Additional information about TBRA is available on DCA's website (renewjerseystronger.org). The application is also available on that website, and the link to the application is also available [here](#).

Finally, as described above, the third round funding allocations for rental housing programs, including TBRA, were established by contractual agreement between HUD, the State and certain housing advocacy groups. The remaining

funds, along with some second round CDBG-DR funds, were required to clear the RREM waitlist. There is no additional third round CDBG-DR funding to increase funding for TBRA beyond the \$15 million of third round funds that have been allocated.

COMMENT 36
FUND FOR RESTORATION OF MULTI-FAMILY HOUSING

A commenter questioned what guidelines govern the distribution of FRM funding and whether there is a continuing need for FRM two years after the storm, and also asked about the use of FRM funding for a project in Bayville. Other commenters asked what steps are taken to prioritize new rental units brought online through the FRM program for Sandy-affected households. One commenter suggested that there should be a hard cap on the size of FRM awards for each project, and that there be regional set asides for FRM funds rather than relying on a scoring criterion that awards points based on the extent of damage to rental units sustained by a municipality during Superstorm Sandy.

Another commenter stated that the requirement of full architectural and engineering plans, site plan approval, and other program requirements that can require expenditures up to \$500,000 is creating a barrier to entry and discouraging developers from pursuing otherwise viable projects in impacted counties. The commenter stated that fledgling projects in more heavily impacted areas should be incentivized, as compared to more developed projects in less impacted areas. The commenter also stated that the "readiness to proceed" scoring factor should be tied to the commencement of construction, rather than to the date of closing.

A final commenter asked how pipeline funding can exceed the amount of funding available for the FRM program.

Staff Response:

Guidelines governing the expenditure of FRM funds, and all other CDBG-DR funded programs being administered by the New Jersey Housing and Mortgage Finance Agency (HMFA), are available on HMFA's website (<http://www.nj.gov/dca/hmfa/developers/cdbg/>), accessible [here](#).

Regarding the need for FRM, Superstorm Sandy significantly reduced the supply of rental housing stock. The loss of units, low vacancy rates and increased costs created particular hardships for LMI households seeking affordable rental units. In terms of rental programs, the most critical needs are to repair or replace damaged or destroyed rental units in order to stabilize the rental market and to increase affordable housing for families in need. As to the amount of funding allocation for FRM in this third funding round, the \$215 million allocation is required under the contractual agreement between HUD, the State and certain

housing advocacy groups, and the State must adhere to its obligations under that agreement.

Regarding an FRM project in Bayville, HMFA scores proposed projects that meet all threshold eligibility requirements based on its established objective scoring criteria, and funds the highest scoring projects. This is subject to some limitations. For example, HMFA guidelines limit the number of projects that can be approved in any one municipality based on population size to ensure that a few municipalities do not unfairly monopolize program funding. There is also an initial reserve from second round CDBG-DR funds for FRM for eligible projects in municipalities in Ocean, Monmouth or Atlantic County based on the extent of storm damage to rental properties sustained in those three counties. This funding is held only as an initial reserve because to place any greater restrictions on where CDBG-DR funds must be spent could create a circumstance where the State runs afoul of HUD's two-year expenditure requirement from the time of draw down and has to return unspent funds to the federal government.

Notably, Bayville is part of Berkeley Township in Ocean County, and for the scoring criteria based on Sandy-damaged rental units within a municipality, Berkeley scores 14 out of 22 possible points. Additionally, support from the local municipal government for a proposed project, in the form of a Resolution of Need, is a threshold eligibility criteria for FRM projects. HMFA recognizes that a large development project will not succeed if it is opposed by local leadership. While this proposed development may be a contentious project within the municipality, if a Resolution of Need for the project ultimately is provided by the local municipal government, HMFA will consider that objective threshold eligibility criterion satisfied.

Regarding prioritization of rental housing for Sandy-affected households, for the first 90 days after rental units are brought online through FRM, priority in the lease-up process is given to Sandy-affected households. To require further restrictions could create legal challenges and also dissuade developers from pursuing important projects.

Regarding the available funding per unit, Amendment No. 11 has been modified to include a \$170,000 per unit funding cap.

HMFA disagrees with the commenter that FRM guidelines have created barriers to entry for projects in Atlantic, Monmouth and Ocean Counties. As of January 30, 2015, 20 of the 24 projects in the FRM Round 2 pipeline are located within Atlantic, Monmouth or Ocean Counties, demonstrating that the initial reserve for those counties and scoring system successfully incentivized development in those three hard hit counties. With third round funds, HMFA may continue to

consider prioritized set-asides to ensure that all aspects relating to FRM of the contractual agreement between HUD, the State and certain housing advocacy groups are satisfied.

Additionally, focusing on shovel-ready projects is important to bringing rental units back online as quickly as possible to stabilize rental markets. And in regards to “fledgling” development projects, the State cannot put itself in a position where it waits to see if a fledgling project materializes. If a project fails to materialize, then CDBG-DR funds must be returned to the federal government because they were not timely expended.

Furthermore, FRM loan documents executed by successful grantees require specific draw down benchmarks that must be achieved, to be responsive to the concern that failure to meet federally-mandated expenditure deadlines can result in federal recapture of CDBG-DR funds. Therefore, while HMFA will take the commenter’s concern regarding the “Readiness to Proceed” factor under advisement, HMFA disagrees with the commenter’s characterizing FRM as failing to address federal CDBG-DR expenditure deadlines.

Finally, as reflected in Action Plan Amendment No. 11, the FRM pipeline does not reflect available funding, but rather the aggregate requests for funding by developers that have applied to the program in excess of the amount of CDBG-DR funding allocated to the program.

COMMENT 37

RE-OPENING RESETTLEMENT PROGRAM

A commenter requested that additional funding be allocated to the Homeowner Resettlement Program and that that program be re-opened to provide additional homeowners with funding to assist with down payments and insurance costs.

Staff Response:

The State has provided \$10,000 Homeowner Resettlement Program grants to all 18,566 eligible homeowners. These funds had to be used for non-construction purposes, including costs of living expenses, rent, mortgage payments and insurance payments. As a condition of receiving the grant, the applicant certifies that he or she will continue to reside in their communities, helping stabilize communities affected by the storm. As discussed in the response to Comment 2, the State has designed other similar recovery programs to assist with non-construction related expenses, including SHRAP and the Rental Assistance Program.

Given limited available third round CDBG-DR funding, required funding allocations to important rental programs, and the unmet demand in the RREM Program, such an initiative is unlikely to proceed at this time.

COMMENT 38
FUNDING REALLOCATION

A commenter stated that funding should be reallocated from underutilized housing programs, and specifically rental programs where funding has not yet been disbursed, to address unmet needs.

Staff Response:

The State's CDBG-DR funded housing programs are fully subscribed and thus not in a position to have funding reallocated.

COMMENT 39
FUNDING FOR SMALL BUSINESSES

Some commenters advocated for additional financial assistance for small businesses. A few commenters expressed concern that the business grant program was too difficult for many applicants and was not well publicized, so many eligible businesses may not have applied.

Staff Response:

The State agrees with the commenters that providing funding for businesses is an important recovery priority, and that investing in economic revitalization – like investing in housing, infrastructure, health and social services, and community capacity – is important to realize a holistic approach to recovery that attempts to address important needs in all sectors contemporaneously.

Nevertheless, housing remains the State's foremost recovery priority. As stated above, funding important rental programs in satisfaction of the contractual agreement between HUD, the State and certain housing advocacy groups, and funding the RREM Program to clear the waitlist, exhausts available third round CDBG-DR funds. There is not additional CDBG-DR funding available to invest in small business assistance.

With regard to the business grants program, the State recognizes the frustration of many businesses arising from the complexity of the grant application. Unfortunately, the requirements in the application and approval process are responsive to governing federal regulations. If the State cannot document that each business owner's file contains all documentation and other proofs required to meet all applicable federal regulations, then the federal government can de-obligate (i.e., take back) funding. Where possible, EDA took steps to make the process easier for applicants, including by reducing the amount of documentation required to start the grant review process; targeting applications toward unmet needs that could be addressed most rapidly in the post-approval

stage; leveraging federal and state partnerships to make the verification of certain required information more efficient; and centralizing processing staff.

Additionally, following the application deadline, EDA determined that many business owners had submitted applications, but needed additional support to complete their applications to ensure compliance with federal requirements. In the first half of 2014, 11 workshops were held, during which more than 100 business owners received support.

To ensure business owners were aware of the assistance available to them through the Stronger NJ Business programs, EDA executed an extensive outreach program during 2013 and 2014 to raise awareness of the programs and provide support to business owners to help them determine eligibility and complete their applications. Between the launch of the grant program on May 1, 2013, and the December 31, 2013 application deadline, EDA held more than 51 workshops across towns in Sandy-impacted counties during which EDA Business Advisors met one-on-one with more than 600 business owners. EDA representatives also participated in numerous mobile cabinets hosted by the Governor's Office in impacted communities to provide information.

Finally, an extensive media campaign was undertaken, consisting of news releases and advisories to numerous reporters at both state and local level publications and websites, resulting in significant coverage in many local and statewide publications and broadcast media outlets. Print ads and radio public service announcements were run in both English and Spanish throughout impacted communities. Finally, the EDA also worked closely with local government, chambers of commerce, various business organizations, and major corporations such as PSE&G and NJ Manufacturers to help spread the word about available assistance. As a result of these efforts, a total of 3,360 applications were received by the EDA for its programs.

COMMENT 40
GRANTS FOR LANDLORDS FOR RECONSTRUCTION; LANDLORD RENTAL REPAIR PROGRAM

A commenter requested that HUD require the State to include in Action Plan Amendment No. 11 an additional \$15 million of CDBG-DR funds for the Landlord Rental Repair Program (LRRP) so that an additional 339 units of rental housing can be funded. The commenter asserted that LRRP had not received more requests for funding than the \$70 million allocated to the program. The commenter also questioned requirements that tenants residing at the subject property had to be relocated during construction or rehabilitation as a condition of LRRP eligibility. The commenter noted that though the program was described as a first-come, first-serve program, his application was not funded because the subject property was

occupied at the time of application. He suggested that relocation of tenant(s) could have been addressed through a requirement that applicant-landlords post a fidelity bond to address potential financial exposure to the State for recovery activities that may run afoul of the federal Uniform Relocation Act (URA).

The commenter further questioned whether the allocation of \$15 million for the Tenant-Based Rental Assistance program was taken from LRRP, and asserted that any such funding transfer should have required a substantial amendment to the State's CDBG-DR Action Plan. The commenter also questioned whether costs of program delivery for LRRP were included in, or separate from, the \$70 million allocated for the program.

Another commenter asked whether any additional program will become available to provide grant funding for landlords for rebuilding individual units of damaged rental housing.

Staff Response:

The State appreciates the comments. Applications to LRRP that comply with program criteria are to be funded based on the date that they were submitted, provided that the applications meet rules and priorities of the program. Units that were occupied by a tenant and that needed additional rehabilitation were not prioritized for funding, however. Among other reasons, rehabilitating occupied units implicates the federal Uniform Relocation Act, requiring the program to cover the costs of relocating the tenant as well as rent while displaced. The limited available funding for LRRP therefore could rehabilitate more damaged units by prioritizing first uninhabited damaged rental units which would not implicate ancillary costs under the URA. While the State appreciates the commenter's suggestion regarding fidelity bonds, such an approach would not comply with federal law.

Additionally, the \$15 million budgeted for the Tenant-Based Rental Assistance Program was drawn from third round CDBG-DR funds, not from the LRRP budget. And the initial \$22 million for TBRA was shifted from the Landlord Incentive Program (LIP), not LRRP. Furthermore, all administrative costs for LRRP, called "program delivery" costs, are included within the \$70 million budget for that program, just as "program delivery" costs are included within the total allocation of all other CDBG-DR funded recovery programs. To date, no funding has been transferred out of the initial \$70 million allocation to LRRP to fund any other recovery program.

Finally, the State will evaluate the commenter's request for additional construction funding for damaged rental properties. Given the breadth of the

State's unmet housing needs and the limited CDBG-DR resources available to address them, it is unlikely such an initiative could proceed at this time.

COMMENT 41

HMGP ELEVATION PROGRAM REIMBURSEMENT; AMOUNT OF HMGP GRANT

A commenter asked why homeowners were being required to elevate their homes, and expressed concern about the costs associated with elevating homes on slabs. Various commenters expressed concern over the \$30,000 maximum grant award from the HMGP Elevation Program when the average costs of elevation exceed \$30,000. One commenter expressed frustration at being ineligible for a HMGP Elevation Grant because the commenter already had completed the elevation at the time of application and HMGP was not used to reimburse homeowners for costs incurred to elevate. Another commenter stated that it was difficult to find additional information about the program or grant status after being approved.

Staff Response:

Federal and state law require that construction involving homes that were "substantially damaged" (i.e., costs to repair the home exceed more than 50% of the home's pre-storm value), as validated by a "substantial damage letter" issued by a local floodplain manager, are required to elevate their homes based on FEMA's best available flood map data plus one foot of freeboard.

While the State appreciates the frustration associated with the increasing costs of elevations, there is not enough recovery funding available to fully address all unmet needs arising from Sandy. Increasing the HMGP Elevation grant award to fully cover the costs of elevations would have substantially reduced the number of applicants that could be funded by the program. The State therefore elected to provide a meaningful subsidy for the costs of elevation for a larger number of homeowners rather than fully subsidize the elevation costs of just a few.

The State understands the frustration of homeowners precluded from participating in the HMGP Elevation program because they began elevation work. Federal regulations currently require that no HMGP funding be provided to any homeowner who began elevation work prior to receiving grant funding, and prior to the completion of a federally required environmental review. The State must comply with those regulations.

COMMENT 42

FUNDING FOR MENTAL HEALTH INITIATIVES

A commenter stated that no additional recovery funding should be allocated for mental health initiatives.

Staff Response:

The State disagrees with the commenter's premise that addressing mental health initiatives is not an important component of disaster recovery. Indeed, research shows that the mental health impacts from disasters like Sandy often are long-lasting, and the demand for mental health services typically increases significantly.

The State has created many programs to address the needs arising from Superstorm Sandy for vulnerable populations, including the elderly, homeless, and persons with disabilities. Many of these initiatives are funded with federal Social Services Block Grant (SSBG) monies. Two examples of programs serving vulnerable populations include the Ramp Rebuild, Replacement and Installation Program, which provides modular ramps to eligible applicants, and the Home Repair and Advocacy Program, which helps seniors and individuals with disabilities whose primary homes were damaged by Superstorm Sandy.

New Jersey also created programs to address mental and behavioral health needs. For example, New Jersey created the Hope and Healing Crisis Counseling program, which contacted more than 450,000 individuals to provide crisis counseling. In addition, the Department of Human Services and Department of Children and Families developed programs to deliver clinical behavioral health services to both adults and children.

That said, SSBG funds are the primary funding source for addressing mental health needs following a disaster, and the deadline for expending SSBG funds provided for Sandy recovery is September 2015. While the State will seek an extension of that deadline for a few SSBG-funded programs that involve, or are directly tied to, construction, SSBG funding for mental health services will be expended by that date. The State will continue to evaluate ongoing needs for health and social services, and assess what resources may be available to address those needs.

**COMMENT 43
STATE FUNDS FOR RECOVERY**

A commenter stated that funds from New Jersey's state budget should be dedicated to Sandy recovery needs.

Staff Response:

The State appreciates the comment and will take it under advisement as it works through the budget process with the State Legislature.

COMMENT 44

TAXES

A commenter expressed concern that the destruction to homes is reducing the tax base of affected communities, and those communities will have to charge higher taxes to make up for the lost revenue.

Staff Response:

The State appreciates the comment and recognized early on the risk that reduced ratable bases in heavily impacted communities could have on those communities and their residents. There are various resources available to municipalities heavily impacted by Superstorm Sandy to reduce the impact of displacement and a loss of ratables on the municipal tax base. Most significantly, FEMA Community Disaster Loans (CDL) provided funding to eligible counties, municipalities and other government entities to offset losses of taxes and other revenues resulting from a disaster. Through January 2015, almost \$175 million in CDL resources have been obligated to New Jersey counties, municipalities, school districts and other government entities, and more than \$99 million had been drawn down.

Additionally, based on analyses by the DCA's Division of Local Government Services, it was apparent that FEMA Community Disaster Loans would not be sufficient to address the needs of the most heavily affected counties, communities and school districts. Therefore, the State dedicated \$60 million in first tranche CDBG-DR funds to the Essential Services Grant program to provide additional financial assistance to these communities in order to ensure that funding remained available to provide critical services to residents. The State added \$85 million of second tranche CDBG-DR funds to this program to address financial impacts from Sandy in heavily impacted communities in 2014 and 2015.

COMMENT 45

TIMING OF PUBLIC HEARING

A commenter asked why public hearings were held between 4 and 7 pm, and stated that hearings should have been held later in the evening.

Staff Response:

The public hearings were held between 4 and 7 pm to accommodate the needs of various populations. Importantly, any person who could not attend a public hearing could have submitted a comment via email or U.S. mail any time during the 30-day comment period, and that comment would receive equal treatment as comments provided verbally during the public hearings.

COMMENT 46

FUNDING FOR CUMBERLAND AND BURLINGTON COUNTY

A commenter expressed frustration about the exclusion of Cumberland County from the list of most-impacted counties, and stated that while the county is not densely populated, areas were devastated by Superstorm Sandy.

Another commenter requested additional recovery assistance for residents of Washington Township, Burlington County, stating that the Township had not received an equitable share of assistance in connection with Sandy because Burlington was not included in the nine most-impacted counties as determined by HUD. The commenter further referenced challenges with FEMA funding and requested (i) FEMA should reevaluate the rebuilding of the Lower Bank Bridge; (ii) FEMA should address the bulkhead along River Road; (iii) Charles Avenue should be rebuilt and raised; and (iv) FEMA (and U.S. Army Corps of Engineers) should review the Flood Plain Survey.

Staff Response:

HUD determined the most-impacted counties based on available, objective data, and has required that at least 80 percent of aggregate CDBG-DR funds provided to the State across all three funding rounds be expended within the nine “most-impacted” counties (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union). As described in Appendix B to Action Plan Amendment No. 11, the State currently projects that it will just satisfy the 80 percent requirement. This limits the State’s ability to expend additional CDBG-DR assistance beyond the programs that currently can provide assistance beyond the nine counties.

That said, the State continues to leverage other federal funding streams – FEMA; Social Services Block Grants; Hazard Mitigation Program Grants; and Natural Resources Conservation Service funds, among others – to provide recovery assistance beyond the nine most-impacted counties.

The State will engage with the Office of Emergency Management, Washington Township local government officials and FEMA on the FEMA-related issues raised by the commenter.

COMMENT 47

**FUNDING FOR WATER/SEWER INFRASTRUCTURE; TREE REMOVAL;
RAILROADS**

A commenter stated that CDBG-DR funds should be directed toward addressing antiquated water and sewer infrastructure. Another commenter asked whether funding was available to address costs associated with tree removal from trees damaged by the storm, and to improve railroad tracks.

Staff Response:

To address the impacts of Superstorm Sandy on water and wastewater infrastructure, the DEP, in concert with the New Jersey Environmental Infrastructure Trust (Trust), has targeted \$1.2 billion to modernize and improve the resiliency of approximately 200 water and wastewater treatment facilities across the State including the creation and implementation of the Statewide Assistance Infrastructure Loan Program (SAIL). SAIL is an emergency bridge loan Program wherein the State, through the Trust, issues short-term funds to assist impacted communities finance the construction costs of rebuilding these critical water infrastructure systems, prior to the receipt of FEMA reimbursement funds. By doing so, SAIL mitigates the financial stress typically experienced by communities facing such large up-front rebuild costs. It is estimated that the SAIL program will issue over \$150 million of short-term loans to New Jersey's communities that will be repaid with federal FEMA dollars.

The State also sought to leverage other funding sources to support the recovery needs of these critical facilities. FEMA Public Assistance provides grants to address storm-related repairs, but also will allow an applicant to seek funding to incorporate mitigation measures into a repair project. The State has successfully incorporated this mitigation funding into 87 percent of all large projects (i.e., projects over \$500,000) funded by the Public Assistance program – an unprecedented figure. Most significantly, this past summer the State secured a \$260 million FEMA Public Assistance mitigation award – the largest mitigation award in FEMA history – to incorporate storm-hardening measures and energy resilience at the Newark wastewater treatment plant operated by the Passaic Valley Sewerage Commission, which serves more than two million customers in New Jersey and New York. As detailed above, the State also is targeting Sandy-impacted water and wastewater facilities in the first round of funding through the New Jersey Energy Resilience Bank.

Additionally, water and sewer infrastructure-related projects are eligible for funding through the CDBG-DR funded Flood Hazard Risk Reduction program, administered by DEP, provided that the projects proposed by the municipal applicants meet all threshold eligibility criteria and would be approved for funding based on the application of program scoring criteria.

While the State will evaluate the commenter's suggestion to dedicate funding to address costs associated with tree removal, the breadth of the State's unmet housing needs and the limited CDBG-DR resources available to address them likely preclude such an initiative at this time.

Regarding railroads, more than \$2 billion is being invested to enhance resilience. In September 2014, the State was awarded \$1.276 billion by the

Federal Transit Administration (FTA) to fund five projects designed to enhance energy resilience and harden NJ Transit key infrastructure assets. One of the projects – “NJ TransitGrid” – will be a first-of-its-kind microgrid capable of providing highly reliable power to support regional transit services even when the power grid is compromised. In addition, NJ Transit is pursuing other resilience initiatives for its system, including: raising substations in flood prone areas; building new storage, service, and inspection facilities; and implementing various flood control strategies for vulnerable facilities. FTA-funded projects are in addition to funding made available for certain railroad-related repairs through FEMA’s Public Assistance Program and the Federal Railroad Administration.

COMMENT 48
ISLAND BEACH STATE PARK

A few commenters advocated for U.S. Army Corps Dune Projects to extend across the entire length of Island Beach State Park.

Staff Response:

The construction of dunes across the length of Island Beach State Park (IBSP) is not included in the Shore Protection project that the U.S. Army Corps of Engineers (USACE) and the New Jersey Department of Environmental Protection (DEP) are carrying out because the cost of constructing the dunes on IBSP would exceed the benefit that would be derived from their construction over the fifty-year projected life of the project. Because IBSP is relatively undeveloped, the value of its infrastructure is not sufficient to show a positive benefit-to-cost ratio. Some maintained that overwashing of IBSP during Superstorm Sandy caused flooding in the back bay, which, if accurate, might have made IBSP eligible for the Shore Protection project. In response to these claims, DEP engaged Stevens Institute of Technology and The Richard Stockton College of New Jersey to evaluate their accuracy. Each concluded that the flooding that occurred in the back bay originated from sources other than overwashing at IBSP. For these reasons, IBSP is not eligible for the shore protection project being carried out by the USACE and DEP along New Jersey’s coast. Finally, it should be noted that DEP replenished existing dunes on IBSP after Superstorm Sandy.

COMMENT 49
SUPPORT FOR BUILDING DUNES

A commenter expressed support for the U.S. Army Corps dune projects and said completion of the projects could lead FEMA to adjust its flood maps.

Staff Response:

The State appreciates the commenter's support for U.S. Army Corps dune projects. The determination of the extent to which flood protection measures, such as dunes, may affect FEMA's flood maps is solely within FEMA's discretion. The DEP, US Army Corps of Engineers and FEMA will coordinate to determine if future map revisions are necessary upon completion of these coastal projects.

**COMMENT 50
GRANT PROGRAM RULES**

A commenter asked that all grant program rules with which program applicants must comply be shown in size 14 font.

Staff Response:

The State appreciates the comment and will take this suggestion under advisement.

**COMMENT 51
PUBLIC NOTIFICATION OF FUNDING TRANSFERS BETWEEN PROGRAMS**

A commenter expressed concern about public notification and input on any funding transfers between housing and infrastructure programs.

Staff Response:

Per HUD regulations, any transfers of CDBG-DR funds from housing to infrastructure programs in an amount of \$1 million or more would require a substantial amendment to the Action Plan, be subject to a thirty-day public comment period as well as at least one public hearing. To date, the State has not transitioned any funding from housing programs to infrastructure programs.

**COMMENT 52
NFIP FLOOD INSURANCE PREMIUMS**

A commenter expressed frustration with insurance premium payouts, and stated that insurance companies are underpaying claims.

Staff Response:

The State understands policyholders' frustrations with the National Flood Insurance Program regarding the processing of claims and the distribution of payments, and has relayed those frustrations to its federal partners. However, the National Flood Insurance Program is a federal program over which the State has no authority or control.

COMMENT 53
FEMA – FLOOD MAPS

Some commenters expressed concerns that FEMA’s flood maps have yet to be finalized, which is creating challenges for households not sure to what standard of elevation they will be held. Other commenters expressed frustration with their homes being included in a flood zone when they have not previously been flooded. One commenter stated that people are being told to elevate based on older FEMA maps, if those maps reflect more conservative flood zones, rather than relying on the maps reflecting FEMA’s best available data.

Staff Response:

The State understands the commenters’ frustrations with the changing flood maps. Recognizing that a substantial amount of rebuilding would have to occur and desiring to mitigate damage from future severe weather events, it was determined that it was better to have individuals rebuild based on FEMA’s best available flood risk data as opposed to rebuilding to FEMA standards developed based on data more than thirty years old. This determination necessarily created some uncertainty – as FEMA’s best available data transitioned from the Advisory Base Flood Elevation maps (ABFEs), to Working Maps, to the Preliminary FIRMs – but was a better alternative than having individuals rebuild to antiquated standards that no longer accurately reflected flood risk in the State.

Regarding the expansion of flood zones based on FEMA’s best available flood risk data, these determinations are made solely by FEMA based on available data. FEMA also provides a 90-day appeal period for all new or modified flood hazard information on the preliminary FIRM. Interested parties can submit technical information to FEMA that proves the flood hazard information is not correct through the end of this period. Comments on other aspects of the FIRM such as road and corporate limit changes will also be accepted. FEMA Region II’s fact sheet available at <http://www.region2coastal.com/faqs/general-faqs> provides information about the process for submitting technical data either before or during the appeal period, including the types of data that should be submitted, and where the data should be submitted to. In addition, FEMA’s Flood Insurance Advocate is available to assist residents in understanding how to appeal preliminary rate maps.

Finally, the State has been made aware that FEMA was informing individuals that if the effective FEMA Flood Insurance Rate Map (FIRM) reflected a greater flood risk to a household than FEMA’s best available flood risk data (i.e., the Preliminary FIRMs), individuals need to rebuild to the more conservative standard reflected in the effective FIRM, generally at higher cost. For example, if

an effective FIRM showed a home in a V Zone, and a subsequent map showed the home in an A Zone, the household would still have to comply with V Zone construction requirements, like building on pilings. While the number of instances this has happened are limited, NFIP requires that a structure be built or reconstructed to the more conservative FIRM map. Building to a less conservative FIRM map or standard would jeopardize the communities standing under the NFIP and would subject the homeowner to extremely high flood insurance costs. With that said, the State has been working with FEMA to address this federal policy's impact on the relatively few homeowners who are adversely affected.

COMMENT 54
FEMA - RECOUPMENT

A commenter asked why funding was being spent for FEMA to recoup payments FEMA issued to Sandy-affected households.

Staff Response:

The State is informed that FEMA is statutorily required to review payments it has issued to recovering households and make sure that those payments did not run afoul of applicable federal statutes or regulations. If FEMA discovers that payments were made improperly, it is statutorily required to seek recoupment of those payments from recipients. Improper payments do not necessarily arise from fraud; human error or honest mistakes by applicants are often the causes of improper payments. The State has been informed by FEMA that FEMA suspects that less than 2 percent of disaster funding FEMA issues (e.g., through Individual Assistance) may have been issued improperly. In any case, the recoupment process is driven by FEMA and applicable federal regulations over which the State has no authority or control.

APPENDIX A: ALLOCATION OF FIRST, SECOND AND THIRD TRANCHE CDBG-DR FUNDS BY PROGRAM*

Category	Total Amount	Program	Allocation Level
Homeowner Assistance Programs	\$1,681,543,202	Reconstruction, Rehabilitation, Elevation, & Mitigation**	\$1,326,543,202
		Housing Resettlement Program	\$215,000,000
		LMI Homeowners Rebuilding Program	\$40,000,000
		Blue Acres Buyout Program	\$100,000,000
Rental Housing and Renter Programs	\$827,520,000	Fund for Restoration of Multi-Family Housing	\$594,520,000
		Sandy Homebuyer Assistance	\$25,000,000
		Sandy Special Needs Housing	\$60,000,000
		Landlord Rental Repair (Small Rental)	\$70,000,000
		Neighborhood Enhancement Program (Blight Reduction Pilot Program)	\$50,000,000
		Incentives for Landlords	\$18,000,000
		Pre-development Loan Fund	\$10,000,000
Economic Development	\$305,000,000	Grants/Forgivable Loans to Small Business	\$100,000,000
		Direct Loans to Small Business	\$100,000,000
		Neighborhood & Community Revitalization Program	\$75,000,000
		Tourism Marketing Campaign	\$30,000,000
Infrastructure Programs	\$550,000,000	New Jersey Energy Resilience Bank	\$200,000,000
		Flood Hazard Risk Reduction Program	\$100,000,000
		Non Federal Cost Share (Match)	\$250,000,000
Support for Government Entities	\$181,000,000	Essential Public Services Program	\$145,000,000
		Unsafe Structure Demolition Program	\$25,000,000
		Zoning/Code Enforcement	\$11,000,000
Supportive Services	\$47,000,000	Supportive Services	\$47,000,000
TOTAL	\$3,592,063,202	TOTAL FUNDED PROGRAMS	\$3,592,063,202
Planning and Administration	\$202,365,798	Planning Programs	\$15,000,000
		Administration**	\$187,365,798
TOTAL	\$3,794,429,000	TOTAL	\$3,794,429,000

*Excludes \$380 million in third round CDBG-DR funds allocation to Rebuild by Design projects.

**Additional funding was added to RREM from Administration funds to ensure the State does not exceed the 5% cap on Administration funds

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APPENDIX B: PERCENTAGE OF AGGREGATE CDBG-DR FUNDS RECEIVED TARGETED TO MOST- IMPACTED COUNTIES*

Category	Program	Allocation Level	Portion of Allocation Benefiting Most-Impacted and Distressed Counties	Estimated Percentage to Benefit Most-Impacted and Distressed Counties
Homeowner Assistance Programs	Reconstruction, Rehabilitation, Elevation & Mitigation	\$1,326,543,202	\$1,326,543,202	100%
	LMI Homeowners Rebuilding Program	\$40,000,000	\$40,000,000	100%
	Blue Acres Buyout Program	\$100,000,000	\$85,000,000	85%
	Housing Resettlement Program	\$215,000,000	\$215,000,000	100%
Rental Housing and Renter Programs	Fund for Restoration of Multi-Family Housing	\$594,520,000	\$416,164,000	70%
	Landlord Rental Repair Program (Small Rental)	\$70,000,000	\$49,000,000	70%
	Neighborhood Enhancement Program (Blight Reduction Pilot Program)	\$50,000,000	\$40,000,000	80%
	Incentives for Landlords	\$18,000,000	\$13,500,000	75%
	Sandy Homebuyer Assistance	\$25,000,000	\$24,500,000	98%
	Sandy Special Needs Housing Fund	\$60,000,000	\$45,000,000	75%
	Pre-Development Loan Fund	\$10,000,000	NA	NA
Economic Development	Grants/Forgivable Loans to Business	\$100,000,000	\$75,000,000	75%
	Direct Loans to Small Business	\$100,000,000	\$75,000,000	75%
	Neighborhood & Community Revitalization Program	\$75,000,000	\$56,250,000	75%
	Tourism Marketing Campaign	\$30,000,000	\$22,500,000	75%
Infrastructure Programs	New Jersey Energy Resilience Bank	\$200,000,000	\$100,000,000	50%
Support for Government Entities	Flood Hazard Risk Reduction Program	\$100,000,000	\$80,000,000	80%
	Non Federal Cost Share (Match)	\$250,000,000	\$125,000,000	50%
	Unsafe Structures Demolition Program	\$25,000,000	\$23,750,000	95%
	Essential Services Program	\$145,000,000	\$137,750,000	95%
Supportive Services	Zoning/Code Enforcement	\$11,000,000	\$9,900,000	90%
	Supportive Services	\$47,000,000	\$42,300,000	90%
TOTAL	TOTAL FUNDED PROGRAMS	\$3,592,063,202	\$3,002,157,202	84%
Planning and Administration	Planning Grants	\$15,000,000	NA	NA
	Administration	\$187,365,798	NA	NA
TOTAL		\$3,794,429,000		

* Excludes \$380 million in third round CDBG-DR funds allocated to Rebuild by Design projects

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New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT
BLOCK GRANT – DISASTER RECOVERY

Public Law 113-2; January 29, 2013
FR-5696-N-01; March 5, 2013
FR-5696-N-06; November 18, 2013
FR-5696-N-11; October 21, 2014



ACTION PLAN AMENDMENT NUMBER 12 SUBSTANTIAL AMENDMENT FOR THE THIRD ALLOCATION OF CDBG-DR FUNDS: REBUILD BY DESIGN

PUBLIC COMMENT PERIOD: December 16, 2014 – January 15, 2015
DATE SUBMITTED TO HUD: April 10, 2015
DATE APPROVED BY HUD:

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Charles A. Richman
Acting Commissioner



101 South Broad Street, P.O. Box 800
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EQUAL HOUSING OPPORTUNITY

This Substantial Amendment to the Action Plan (as proposed) was made available for public review at www.state.nj.us/dca/. It was made available in English and Spanish.

For those who otherwise cannot obtain a copy of this Substantial Amendment to the Action Plan, the Department of Community Affairs will make copies available upon request. Requests for copies should be directed to the following address:

New Jersey Department of Community Affairs
1st Floor Information Desk
101 South Broad Street
Trenton, New Jersey 08625

The State considered all comments received in writing or via email on the proposed Substantial Amendment to the Action Plan. Comments on the proposed Plan were accepted through January 15, 2014 at 5 p.m., Eastern Standard Time. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.nj.gov, or to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823. Comments also were received orally at the public hearings, described below. A summary of all comments received and written responses is included in this final version of this Substantial Amendment submitted to HUD for approval.

While HUD requires that the State hold at least one public hearing on the proposed Action Plan Amendment, the State held two public hearings. The dates, locations and times of the hearings were:

- January 6, 2015: Ocean County College, Jay and Linda Grunin Center for the Performing Arts, 1 College Drive, Building 12, Toms River, New Jersey, 08753 (4-7 pm)
- January 7, 2015: Bergen Community College, Moses Center, 400 Paramus Road, Paramus, New Jersey 07652 (4-7 pm)

The State has synthesized and responded to the comments it received in this final version of this Action Plan Amendment submitted to HUD for approval.

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SECTION 1: INTRODUCTION

President Obama's Hurricane Sandy Rebuilding Task Force created the Rebuild by Design competition (RBD) in the summer of 2013 to develop ideas to improve physical, ecological and economic resilience in regions affected by Superstorm Sandy. The competition has two goals: to promote innovation by developing flexible solutions that would increase regional resilience, and to implement proposals with both public and private funding dedicated to the RBD effort. To realize the RBD initiative, HUD Community Development Block Grant – Disaster Recovery (CDBG-DR) funds allocated through the federal Sandy Supplemental legislation were set aside by HUD to develop and incentivize implementation of RBD projects.

Multi-disciplinary teams made up of architects, designers, planners and engineers were engaged by HUD and charged with proposing regional and community-based projects that would promote resilience in various Sandy-affected areas. The teams included experts and thought-leaders from around the world. The teams' proposals, developed with and by the communities where projects were focused, were submitted to HUD, and HUD ultimately selected six "winning" projects.

Two New Jersey projects received funding: one focused in the Hudson River region (allocated \$230 million by HUD) and the other in the Meadowlands region (allocated \$150 million by HUD). Both projects are described in detail below. Comprehensive information about the RBD process and the winning projects also is available on the RBD website (www.rebuildbydesign.org), accessible [here](#).

The State is committed to implementing the Rebuild by Design projects as set forth in the RBD teams' proposals. Should financial, technical or other issues arise in connection with a project, adjustments may need to be made.

Substantial Amendment to the Action Plan

On October 16, 2014, HUD issued Federal Register Notice FR-5696-N-11 (effective October 21, 2014) which allocated \$881,909,000 of third round CDBG-DR funds to New Jersey. Of that total, \$380 million is for the two RBD projects. The allocation of the remaining \$501,909,000 is set forth in Action Plan Amendment No. 11.

Pursuant to FR-5696-N-11, in order to access the third round CDBG-DR funds allocated for the New Jersey RBD projects, the State must prepare a Substantial Amendment to its CDBG-DR Action Plan. In this Substantial Amendment:

- Section 2 sets forth descriptions of the two RBD projects, and is specifically responsive to the "RBD Project Description," "Implementation Partnership

for RBD Project” and “Identification of Leveraged or Reasonably Anticipated Funds for RBD Project” requirements in Section VI of FR-5696-N-11;

- Section 3 sets forth the Performance Schedule for the RBD projects and is specifically responsive to the “RBD Project Timeline” requirements in Section VI of FR-5696-N-11; and
- Section 4 sets forth the citizen participation and outreach process for New Jersey’s RBD projects, and is specifically responsive to the “Citizen Participation Plan for RBD Project” requirements in Section VI of FR-5696-N-11.

At this time in the process, providing a “project description” beyond the RBD proposals as submitted, identifying other funding sources, and estimating project timelines and the roles of partners in the project is premature. The State therefore will address all HUD requirements for this amendment in FR-5696-N-11 to the extent practical.

Finally, to the extent required in order to ensure that RBD funding is used in compliance with applicable federal and state laws and regulations, the State incorporates here all applicable provisions of its CDBG-DR Action Plan, including provisions of Section 6 of the Action Plan applicable to RBD initiatives, as modified by Amendments 1 – 10.

SECTION 2: RBD PROJECTS

Section VI of FR-5696-N-11 sets forth requirements for information that must appear in an Action Plan Amendment in order to access CDBG-DR funds for RBD projects. Among other things, the Federal Register Notice requires a general description of: the proposed RBD Project to be designed and implemented; the feasibility and effectiveness in protecting against future severe weather events; the use of funds dedicated for planning, pre-development and project construction; and other funding that might be brought to bear to realize the RBD project. The Amendment also must identify the state agency responsible for implementing the RBD projects (which, for New Jersey, will be the Department of Environmental Protection) and describe the roles of partners involved in realizing the project. This Section addresses the Federal Register Notice requirements for each of New Jersey's RBD projects.

Additionally, per Section (VII)(a) of FR-5696-N-11, as a result of the RBD competition process, the two New Jersey RBD projects are already deemed to have satisfied the following requirements for infrastructure projects set forth in FR-5696-N-06:

- The definition of infrastructure projects and related infrastructure projects under Section VI(b)(1) of FR-5696-N-06;
- The requirement for impact and unmet needs assessments and the comprehensive risk analysis under Section VI(c) and VI(d) of FR-5696-N-06;
- The process required for the selection and design of green infrastructure projects or activities under Section VI(f) of FR-5696-N-06; and
- The additional requirements for major infrastructure projects under Section VI(g) of FR-5696-N-06.

Any additional, applicable requirements for infrastructure projects set forth in FR-5696-N-06 that are not, through the language of FR-5696-N-11, already deemed satisfied by HUD will be addressed in connection with each RBD project. Also, while the unmet needs assessment component, including outreach for that assessment, and the comprehensive risk analysis requirements both have been deemed satisfied for purposes of preparing this Amendment, ongoing stakeholder outreach throughout the process and risk analyses will continue to be an important component of RBD projects going forward.

2.1 Managing State Agency and Partner Entities

The New Jersey Department of Environmental Protection (DEP) will be the state agency responsible for overseeing and implementing both RBD initiatives. The New Jersey Department of Community Affairs (DCA), as the State's Grantee for CDBG-DR funds from HUD, will transfer CDBG-DR funding for RBD projects to DEP under a Memorandum of Understanding, and DEP will administer those funds.

DEP was chosen as the RBD managing state agency for a number of reasons. DEP has staff experienced in the planning, permitting, design and construction of flood risk reduction projects as well as other large construction projects including wetland enhancement, landfill closure, park development, site remediation, etc. Information about DEP's experience with various types of environmental issues and projects is available on its website at <http://www.state.nj.us/dep/>. DEP also has the ability to work with the Department of Treasury to release Requests for Proposals (RFPs) to hire engineering firms to complete project feasibility and design services, as well as construction bid package development and construction oversight. The Department of Treasury would also work cooperatively with DEP and its partners to solicit bids for actual project construction. DEP, Treasury and the design contractor will oversee project construction to ensure adherence to plans, specifications, permits and all other State and Federal requirements.

As further confirmation of DEP's abilities, DEP has a long history of successful coordination with the U.S. Army Corps of Engineers (USACE) on flood control projects and has the expertise to work with hired consultants to prepare applications and obtain all necessary State and Federal approvals and permits (e.g., NJDOT; NJ Transit; Landfill Disruption; Site Remediation; Soil Reuse, Historic Preservation; Fish & Wildlife, Green Acres) that may be required for federal flood protection projects. As part of this process DEP frequently conducts field reconnaissance and surveys with the USACE, as necessary, in the planning and construction of flood risk reduction projects. DEP reviews the economic analyses and engineering designs including hydrologic, hydraulic, structural reports and construction plans and technical specification documents. In addition to the work DEP conducts with the USACE, DEP is also responsible for statewide flood control projects and dam restoration loans under the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003", P.L. 2003 C.162, which provided \$25 million for grants to implement state and local flood control projects and \$100 million for dam restoration loans.

Regarding administrative capacity, following Superstorm Sandy the Christie Administration created a new Office of Flood Hazard Risk Reduction Measures

within DEP. The purpose of the Office dovetails directly with the intent of both RBD initiatives. As the design phase of the RBD projects gets underway, and all the way through implementation, DEP will routinely assess its own staffing needs and, if additional staffing is required, will use program delivery funds to bring on resources to meet needs (subject to applicable federal laws and regulations on the permissible use of CDBG-DR funds). The Office also will be ultimately responsible for monitoring and evaluating the efficacy and sustainability of RBD projects, as described below, and will add staffing or resources as required in order to perform this function in a manner compliant with Section VII(a)(iv) of FR-5696-N-11.

While DEP will be the primary agency involved in designing and implementing the RBD projects, it will not be the only relevant State agency. Others include:

- **NJ Transit.** NJ Transit received significant funding from the Federal Transit Authority (FTA) to fill Long Slip Canal, which will block some of the storm surge coming from the Hudson River near the south end of the RBD project area. While this project was coordinated with the RBD team, it is funded with FTA funds and is a wholly separate (and separately funded) project from Rebuild by Design. Ongoing coordination will be required to ensure that the projects yield an integrated coastal protection system.
- **Meadowlands Regional Commission.** Formerly the New Jersey Meadowlands Commission, the Meadowlands Regional Commission's regulatory authority in the RBD project area should make the Commission an important partner in realizing an RBD project that complies with all applicable laws and regulations.
- **Department of Treasury/Office of State Comptroller.** DEP will need to work closely with these two agencies in order to procure services and materials needed to realize the RBD projects. The State procurement process is a necessary condition of ensuring cost reasonableness and complying with federal and state law, but compliance also adds significant time to projects.

Municipal governments in RBD project areas also will have critical roles to play in realizing RBD projects.

- An Executive Steering Committee will be established with State and municipal representatives to share information and provide input throughout all phases of the RBD projects, from feasibility through construction. Other critical governmental entities (e.g., North Hudson Sewerage Authority for the Hudson River project) will be incorporated into this committee. Among other things, this Committee will advise on the direction of the project, policy issues that arise in connection with the

projects, as well as issues raised up to the Committee by the Project Management Team working with the Project Development Team.

- The Project Management Team (PMT) and the Project Development Team (PDT) will work together on the day-to-day issues that arise in connection with the RBD projects. Any issues that cannot be addressed at this level will be synthesized and raised to the Executive Steering Committee for discussion. This integrated approach of a PMT and PDT will include DEP representatives and designees from the municipalities, and may also include designees from other Executive Steering Committee partners, as well as consultants (as necessary, which will be a subject for the Executive Steering Committee).
- A number of smaller teams will support the integrated PMT and PDT on issues specific to the RBD projects. These include such issues as: information technology; engineering/design/build; procurement; and stakeholder outreach. Outside resources likely will need to be retained to comprise or supplement these teams, though those specific decisions are items to be addressed by the Executive Steering Committee.

Additionally, in the permitting and design phases of RBD projects, among other things, RBD projects will trigger local zoning and land use regulations that fall within the municipal purview, provided that the regulations are not inconsistent with state law.

This project management structure described above is reflected in the chart appended to this Amendment. In short, throughout all phases of the project, Executive Steering Committee members will have both a voice and input into the RBD process, though to be clear the Executive Steering Committee is advisory, and all final project determinations will rest with DEP as the recipient of CDBG-DR funds for RBD projects and the agency responsible for implementation.

Additional entities, including stakeholder groups or entities that may be able to provide additional private financing to enhance the RBD initiatives, also may be included in the RBD partnership, though private entities will not be permitted to become members of the Executive Steering Committee. Importantly, ways to bring additional financing, including private financing, to support the projects, will be explored, but at this time it is premature to estimate how much, if any, additional financing might become available for either project, or the sources of such funding.

2.2 New Meadowlands Project

The "New Meadowlands" project proposes an integrated vision of protecting, connecting and growing the Meadowlands. Integrating transportation, ecology and development, the project aims to transform the Meadowlands to address a wide

spectrum of risks while providing civic amenities and creating opportunities for new redevelopment.

The project as proposed consists of two principle pieces of new infrastructure: the “Meadowpark” and the “Meadowband.” The Meadowpark is a large natural reserve made accessible to the public that will also offer flood risk reduction. It would connect and expand marshland restoration efforts. Around and across the Meadowpark, the team proposes an intricate system of berms and marshes. These will protect against ocean surges and collect rainfall, reducing sewer overflows in adjacent towns. The Meadowband, a raised berm that could potentially include transportation across the top, lies at the edge of the Meadowpark. It offers flood protection, connections between towns and wetlands, and will provide opportunities for towns to grow.

The RBD team’s final submission to HUD for the New Meadowlands project is available online [here](#). It includes an extensive narrative description of the project, conceptual project renderings, a flood risk assessment and a benefit-cost analysis, among other things. Due to funding limitations, CDBG-DR funds are to be used to target a pilot project within the overall proposed project design in Little Ferry and Moonachie.

The results from the planning, feasibility and design phases, among other things, will yield a work product that addresses what, if any, additional funding sources are available for the project, the components of the project available funding is sufficient to address, the efficacy and sustainability of the final project design, incorporating such analyses as the NOAA Sea Level Rise tool, and also how that final project will meet the resilience performance standards requirements in Section VI(2)(e) of the November 2013 Federal Register Notice (FR-5696-N-06). Similarly, once planning and feasibility studies are complete, DEP and its partners will be in a position to determine, in connection with the design phase, how the project will be monitored in order to evaluate efficacy and sustainability. This Action Plan Amendment will be updated following completion of the draft Environmental Impact Statement to reflect how these requirements will be satisfied.

Allocation for Activity: \$150,000,000. Per HUD guidelines, up to 5% of the allocation (\$7.5 million) may be utilized for administrative costs.

Eligibility for CDBG-DR: Notice FR-5696-N-11(VII)(b) (Rebuild by Design).

National Objective: The National Objective for this project will be LMI and/or Urgent Need. Moreover, FR-5696-N-11 allows the State to “categorize the [RBD] project into multiple activities in order to distinguish and classify expenditures as benefitting [LMI] populations, as a means of meeting the overall benefit requirement.” As described above, the State does not yet know the scope of this

RBD project and therefore is not positioned to designate what components may potentially be classified as meeting the LMI national objective. As a result, the State avails itself of the option to characterize activities within this project as either meeting the LMI national objective or the Urgent Need national objective (or characterizing an entire project as LMI, if appropriate under HUD regulations), at least so long as funding provided for RBD projects continues to be counted toward the State’s overall LMI benefit requirement.

2.3 Hudson River Project: Resist, Delay, Store, Discharge

The Hudson River project, known as the “Resist, Delay, Store, Discharge” project, is a comprehensive urban water strategy that would deploy programmed hard infrastructure and soft landscape for coastal defense (resist); generate policy recommendations, guidelines and urban infrastructure to slow rainwater runoff (delay); develop a circuit of interconnected green infrastructure to store and direct excess rainwater (store); and deploy water pumps and alternative routes to support drainage (discharge). As proposed, a variety of flood risk reduction infrastructure will be built along the Hudson River in order to reduce flood waters, including at Weehawken Cove (to protect Hoboken, Weehawken and critical regional utilities) and by the Hoboken Ferry Terminal. Along Hoboken’s downtown thoroughfare, green infrastructure measures, such as permeable paving and rain gardens, would help manage the city’s surface water and reduce the risk of flash flooding from rain while enhancing the cityscape. Along NJ Transit’s Hudson-Bergen Light Rail, otherwise discrete rainwater storage initiatives would be connected to make a “green circuit.” This system would serve as the foundations of a parallel green drainage infrastructure that would reduce the risk of flash flooding from rain, filtering and cleaning storm water and serving as a park for the community.

The RBD team’s final submission to HUD for the Hudson River project is available online [here](#). It includes a narrative description of the project, conceptual project renderings, a flood risk assessment and a benefit-cost analysis, among other things. Additionally, the RBD team’s estimate of project costs, as reflected in the project submission, is as follows:

OMA’s Summary of First Phase Cost Estimates	
Phase 1 Project Components	Costs (Millions)
Capital	\$470
Hard Costs Related to CDBR-DR (sic)	\$220
Hoboken Terminal	\$90
Weehawken Cove	\$120
Other Coastal Defenses	\$10
Soft Costs Related to CDBG-DR Request	\$53
Master Plan and Technical Studies	\$20

OMA's Summary of First Phase Cost Estimates	
Phase 1 Project Components	Costs (Millions)
Coastal Defense Soft Costs	\$33
Contingency Related to CDBG-DR Request	\$51
Hard & Soft Costs of Partner Projects	\$149
Long Slip Canal and NJ Transit Resiliency	\$100
PATH Train Resiliency	\$10
New Pumping Station	\$12
Block 12 Storage Park	\$3
Green Infrastructure Land Acquisition	\$20
"Program Layer" Demonstration Projects	\$2
Green Infrastructure Demonstration Projects	\$2
Operations & Maintenance	\$7.8
Annual Programming Costs	0.5
Annual Maintenance Costs	\$7.3
* These cost estimates will be further evaluated as part of the project feasibility and design phases. As HUD states in the Federal Register Notice as to all RBD approved projects "modification [to RBD projects as proposed] may be necessary in response to the amount of funding ultimately secured" for RBD projects.	

As stated above, the New Jersey Transit Long Slip Canal project is separately funded through Federal Transit Authority monies and is a separate project from Rebuild by Design. OMA incorporated it into the above list to indicate that the projects should be integrated as part of a coastal defense strategy, but RBD and the Long Slip Canal are separate projects. Additionally, the City of Hoboken is taking steps to address some of the above components with its own funds.

The results from the planning, feasibility and design phases of this project, among other things, will yield a work product that addresses what, if any, additional funding sources are available for the project, the components of the project available funding is sufficient to address, the efficacy and sustainability of the final project design, incorporating such analyses as the NOAA Sea Level Rise tool, and also how that final project will meet the resilience performance standards requirements in Section VI(2)(e) of the November 2013 Federal Register Notice (FR-5696-N-06). Similarly, once planning and feasibility studies are complete, DEP and its partners will be in a position to determine, in connection with the design phase, how the project will be monitored in order to evaluate efficacy and sustainability. This Action Plan Amendment will be updated following completion of the draft Environmental Impact Statement to reflect how these requirements will be satisfied.

Allocation for Activity: \$230,000,000. Per HUD guidelines, up to 5% of the allocation (\$11.5 million) may be utilized for administrative costs.

Eligibility for CDBG-DR: Notice FR-5696-N-11(VII)(b) (Rebuild by Design)

National Objective: The National Objective for this project will be LMI and/or Urgent Need. Moreover, FR-5696-N-11 allows the State to "categorize the [RBD] project into multiple activities in order to distinguish and classify expenditures as

benefitting [LMI] populations, as a means of meeting the overall benefit requirement." As described above, the State does not yet know the scope of this RBD project and therefore is not positioned to designate what components may potentially be classified as meeting the LMI national objective. As a result, the State avails itself of the option to characterize activities within this project as either meeting the LMI national objective or the Urgent Need national objective (or characterizing an entire project as LMI, if appropriate under HUD regulations), at least so long as funding provided for RBD projects continues to be counted toward the State's overall LMI benefit requirement.

SECTION 3: PERFORMANCE SCHEDULE

Pursuant to 31 U.S.C. § 1552(a), even allowing for potential waivers of the two-year expenditure deadline in the Disaster Relief Act of 2013 (the "Act") through the federal Office of Management and Budget (OMB), all CDBG-DR funds must be expended on or before September 30th of the fifth year following the statutory period of obligation. The statutory period of obligation under the Act ends in 2017, so even allowing for OMB waivers, all CDBG-DR funds must be spent by September 30, 2022, and that date cannot be extended by OMB. While the State will endeavor to expend RBD funds in conformance with the current expenditure deadline under the Disaster Relief Act of 2013, the State will request permitted extensions for RBD projects as needed.

The major phases of the project are:

- Feasibility Study, Environmental Review and Permit Identification
- Design and Permitting
- Pre-Construction/Site Development and Construction
- Post Construction

Major Project Phase	Projected Start Date	Projected End Date
Feasibility, Environmental Review and Permit Identification	Q3 2015	Q4 2017
Design and Permitting	Q4 2017	Q3 2019
Pre-Construction/Site Development and Construction	Q3 2019	Q3 2022
Post Construction	Q4 2022	Useable Project Life

These are very preliminary projections given that the projects are only entering the Feasibility phase. Any number of variables could significantly affect this timeline. The timeline will be refined when the State submits an updated RBD Amendment to HUD after the draft Environmental Impact Statement is completed.

This overview of the four project phases includes but is not limited to the following:

3.1 Feasibility Study, Environmental Review and Permit Identification

- **Scope of work:** overall project/sub-component feasibility; identification of available resources; project timeline; critical issues/obstacles analysis; alternatives analysis; cost-benefit analysis; bid packages for design phase; permit identification; Environmental Impact Statement (EIS) and Record of Decision (ROD).
- **Key tasks:** conduct data collection and analysis; evaluate overall project feasibility; assess and confirm feasibility of RBD team's conceptual design; Publish Notice of Intent; develop purpose and need for project; develop scoping document; meet with stakeholders; identify necessary permits; prepare and publish Draft Environmental Impact Statement (DEIS); receive and respond to public comments; hold Public Hearings; draft and publish Final EIS (FEIS); draft and publish Record of Decision (ROD). identify environmental consequences, identify resources, identify and analyze critical issues/possible obstacles; identify necessary real estate/easements; identify necessary permits; develop timeline; analyze feasibility of sub-components as stand-alone projects; create Master Plan.
- **Key deliverables:** Draft EIS; Final EIS; ROD; list of necessary permits; master plan; timeline for project phases; comprehensive cost-benefit analysis; plan for addressing critical issues; bid packages for design phase.

3.2 Design and Permitting

- **Scope of work:** development of concept drawings; development of engineering and design documents; real estate/easement acquisition; development of construction bid package; identifying real estate/easements needed.
- **Key tasks:** create concept drawings; draft engineering and design documents; develop construction bid packages; obtain necessary permits; obtain real estate/easements; identifying and securing funding source and partners for operations and maintenance.
- **Key deliverables:** concept drawings; completed engineering and design documents; completed and filed permit applications; necessary easements acquired, construction bid packages ready to release.

3.3 Pre-Construction/Site Development and Construction

- **Scope of Work:** begin and complete pre-construction/site development and construction
- **Key Tasks:** prepare identified areas of site for construction phase on time and on budget, in accordance with plans and specifications. Build, on time and on budget, in accordance with plans and specifications.
- **Key Deliverables:** completed site development in areas required in order to begin construction; complete construction

3.4 Post Construction

- **Scope of work:** all ongoing operations, maintenance to ensure continued effectiveness of project components.
- **Key tasks:** create maintenance agreements
- **Key deliverables:** well-maintained project components; funding in place to ensure continued effectiveness of projects.

HUD's Federal Register Notice also requests general estimates of costs to be incurred during each project phase. DEP generally estimates that completion of all key tasks identified in the Feasibility Phases and the Environmental Review Phases may cost between \$10 million and \$20 million per project, and the key tasks identified in the Design/Permitting Phases may cost between \$20 million and \$60 million per project. It must be emphasized that these are rough estimates that are subject to numerous variables and should not be considered binding. Until feasibility and design are complete, DEP cannot reasonably estimate costs of the construction or post-construction phases. To that end, at this time DEP only can rely on the budget/cost information in the RBD proposals. After the feasibility and design phases are complete, DEP will be positioned to estimate costs associated with the final two phases.

SECTION 4: OUTREACH AND PUBLIC COMMENT FOR RBD PROJECTS

DEP is committed to a robust community and stakeholder outreach process throughout the course of what will be a multi-year effort to realize the two New Jersey RBD projects.

DEP and its partners will hold an initial community meeting in each of the RBD project regions, where the projects and the Amendment will be discussed. The Hudson River project meeting was held on January 20, a few days after the first Executive Steering Committee meeting, and the Meadowlands project meeting is tentatively slated for late February, following the first Executive Steering Committee meeting in early February. Stakeholders will continue to be engaged during the feasibility, design, environmental review, pre-construction and construction project phases. As shown in the appended organizational chart, a group reporting up to the Project Management Team and Project Development Team will be specifically focused on outreach. Moreover, for the environmental review component in particular, DEP will synch its outreach approach specifically to the public engagement requirements attendant to environmental impact studies.

Outreach efforts will engage vulnerable and underserved populations in RBD planning and decision-making process, as the RBD process begins and moves forward. DEP and its partners will look to engage with community organizations within the municipalities, among other things, to engage vulnerable and underserved populations regarding the Rebuild by Design projects.

To give effect to these project outreach components, for each RBD project there will be a dedicated sub-committee whose sole focus will be outreach, including identifying stakeholders and incorporating input from vulnerable populations in the RBD process. The composition of the sub-committee will be a topic of discussion for the Executive Steering Committees, and likely will include both state and local representatives. The outreach subcommittee will report up to the Executive Steering Committee through the Project Management Team. The organizational chart appended to this Amendment reflects this structure.

Once the sub-committee is established – that is, one for each RBD project – one of its first tasks will be to develop a comprehensive outreach plan that, among other things, identifies stakeholders, neighborhood leaders and vulnerable communities and describes how those groups will be engaged as part of the RBD process. The sub-committee will be expected to significantly leverage the knowledge of local government officials or representatives who are best positioned to know the

stakeholders, neighborhood leaders and vulnerable populations in their areas, and the most effective way to engage them in the RBD process. At least one community already has offered its resources to support this effort. This sub-committee will also assess the above suggestions raised by commenters.

Taking time to work through and develop a citizen participation plan by this process, which incorporates from the outset the knowledge and input of local partners, among others, will yield a more comprehensive and effective citizen participation plan for these targeted projects, and best achieve the goals described in the Federal Register Notice. *It is important to note that once the detailed outreach plan is developed by the sub-committee and reviewed by the Executive Steering Committee, it will be made available for public review and comment.* Working with the localities, the State expects to have citizen participation plans prepared for public comment during the third quarter of 2015.

Additionally, consistent with the requirements in Federal Register Notice FR-5696-N-11, the State held formal public hearings after making this Substantial Amendment available for public comment. The State held two public hearings on the following dates and times, and at the following locations:

- January 6, 2015: Ocean County College, Jay and Linda Grunin Center for Performing Arts, 1 College Drive, Building 12, Toms River, New Jersey, 08753 (4-7 pm)
- January 7, 2015: Bergen Community College, Moses Center, 400 Paramus Road, Paramus, New Jersey 07652 (4-7 pm)

Comments on the Substantial Amendment were submitted on DCA's website at: <http://www.state.nj.us/dca/announcements/approved/sandy.html>, by U.S. mail and at the two public hearings.

4.1 Citizen Participation Plan

In developing this Substantial Amendment, the State complied with all citizen participation plan requirements, including the requirements in Federal Register Notice FR-5696-N-11. These steps have included the following:

- The State has issued this Substantial Amendment and made it available to the public for a comment period of no less than thirty days prior to its submission to HUD. DCA has posted this Substantial Amendment prominently on its official website to afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the Substantial Amendment's contents.
- The Rebuild by Design process that informs this Amendment included outreach to community groups, including those that serve minority

populations, persons with limited English proficiency, and persons with disabilities.

- The State held two public hearings regarding this Substantial Amendment to the Action Plan. Residents and other stakeholders were provided reasonable and timely access to information about the public hearing and to the hearing itself.

Certain elements of the citizen participation requirements remain unchanged since the issuance of the State's Action Plan. In preparing this Substantial Amendment, the State has complied with these elements of the citizen participation requirements as well, which include the following:

- The State notified the public that the Substantial Amendment is available for review and comment through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with community-based organizations.
- The State made these documents available in a form accessible to persons with disabilities and persons of limited English proficiency (LEP).
- The State reached out to local nonprofit and civic organizations to disseminate information about and make available a copy of this Substantial Amendment.
- The State considered all written comments it received on this Substantial Amendment as well as all oral comments at the public hearings.
- The State continues to make the Action Plan, all amendments, and all performance reports available to the public on its website and upon request.

The State provided citizens, local officials, and other stakeholders with reasonable and timely access to information and records relating to the Action Plan, this Substantial Amendment and the State's use of CDBG-DR funds. Written comments were submitted to the Department of Community Affairs via email to sandy.publiccomment@dca.nj.gov, and by U.S. mail, to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823.

4.2 Summary of Public Comment

Consistent with HUD requirements, this Substantial Amendment was made available for public comment for a period of at least thirty (30) days. Written comments were submitted to the Department of Community Affairs via email at sandy.publiccomment@dca.nj.gov, or to the attention of Jamie Saults, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823,

Trenton, New Jersey 08625-0823. The State also solicited public comments at the public hearings.

The State reviewed the public comments provided during the comment period. All comments received equivalent treatment regardless of whether they were submitted by email, U.S. mail, or at a public hearing.

Per HUD guidelines, the State has synthesized the comments on the RBD projects that it received and has provided written responses below.

**COMMENT 1
SUPPORT FOR RBD PROJECTS**

Various commenters expressed support for the RBD projects targeting the Meadowlands region and the Hudson River region.

Staff Response:

DEP appreciates the commenters' support for Action Plan Amendment No. 12.

**COMMENT 2
REGIONAL IMPACTS OF RBD PROJECTS; STATE OFFICE OF PLANNING
ADVOCACY**

A number of commenters stated that decisions regarding the RBD projects must be made in the context of impacts on the larger region, and supported a regional resilience plan. Some commenters expressed concern that the RBD projects only may protect pockets of the state and may expose other areas to greater flooding risk. These commenters stated that studies relating to the RBD process must not only focus on the targeted communities, but also on any project impacts on surrounding communities. A commenter expressed concern about the use of hard infrastructure (e.g., sea walls) in the RBD projects because of cost as well as potential unintended consequences like fostering development in low-lying areas and disconnecting communities from water resources. Another commenter suggested that the state Office for Planning Advocacy in the New Jersey Department of State be integrated into the RBD process.

Staff Response:

DEP agrees that effective planning is an important component of ensuring smart and effective design and construction for both RBD projects. DEP also agrees that, within the feasibility and design phases of the RBD projects, the potential impacts that the projects might have, if any, on upstream or downstream communities must be carefully evaluated. Potential consequences within targeted communities following implementation also must be considered. State agencies, authorities, and other entities that can bring perspective to the

feasibility, design, pre-construction or construction phases of either RBD project will be consulted as part of the RBD process.

COMMENT 3

RBD PROJECTS ACCOUNTING FOR POTENTIAL SEA LEVEL RISE

Commenter stated that the feasibility and design phases of the RBD projects should take into account sea level rise projections and inquired as to how components of project design, including any elevations, will account for sea level rise. Another commenter stated that using best available FEMA data to evaluate floodplains only accounts for current risk, and does not adequately address how the floodplain may expand in the future, and suggested that the RBD projects be constructed to more conservative standards. The commenter also suggested that the RBD process incorporate a detailed description of the flooding vulnerabilities of each targeted municipality today, in 2050 and in 2100 (incorporating projected sea level rise) as part of the feasibility and design phases, and a commitment to the adoption of a flood-elevation standard in the design phase of both projects that will be protective through 2100.

Staff Response:

Per federal requirements, expenditures of CDBG-DR funds for Sandy recovery infrastructure projects, including the RBD projects, must take into account projected sea level rise. DEP will comply with those requirements. Among other tools, the federal requirements endorse NOAA's sea level rise tool as a mechanism to account for sea level rise as part of CDBG-DR funded recovery projects. That tool includes four separate sea level rise risk projections: lowest; intermediate-low; intermediate-high; and highest. NOAA generally has estimated, factoring in future potential conditions, global sea level rise by the year 2050 at the following four levels, respectively: 0.3 feet; 0.7 feet; 1.3 feet; and 2.0 feet.

Increasing flood protection – for example, by building to a more conservative projection of potential future sea level rise – usually increases overall project cost. When evaluating each RBD project, DEP, with input from its partners, will have to assess different levels of flood risk protection and the costs associated with building to those levels. The decision on this component of project design, which is premature until the feasibility phase of each RBD project is completed and the design phase begins, likely will be informed by such factors as how much funding is available for the project, the extent of additional protection that would be afforded by building to a more conservative sea level rise projection, and the opportunity cost of using limited project funding to build to a more conservative projection as compared to using the same funding to realize other components of the RBD project concept.

Finally, DEP and its partners will take under consideration the commenter's suggestion that RBD project funds be used toward a detailed description of flood vulnerabilities, incorporating sea level rise, during the feasibility and design phases of the RBD projects.

COMMENT 4

OUTREACH FOR RBD PROJECTS; PUBLIC ENGAGEMENT

Commenters inquired about the outreach that would be undertaken as the RBD projects proceed and stated that it was important for the targeted communities to have a meaningful role in project development. Some commenters sought comprehensive lists of stakeholders that would participate in the process. Other commenters asked specifically about outreach to vulnerable populations in the impacted communities, and requested active community workshops, as opposed to formal public hearings, in the areas that are the focus of RBD projects during the feasibility, design, environmental review, pre-construction and construction phases. One commenter stated that neighborhood leaders should be approached for feedback on the proposed RBD projects. Other commenters asked that the RBD Amendment provide for:

- The establishment of a public participation process that outlines specific groups that will be engaged, the method of informing them, the opportunities for public comment, and how the public's concerns and feedback will be incorporated;
- Public outreach locations that are accessible by public transportation and in the RBD project areas, and schedules that are convenient for those with different needs;
- The creation of a website where draft and final reports are posted in each project phase and where comments can be submitted electronically; and
- A timeline for public participation and key decision points, and the contact information for the stakeholder outreach teams.

Another commenter stated that all Executive Steering Committee meetings for the RBD projects should comply with all aspects of New Jersey's Open Public Meetings Act. Another commenter asked whether the creation of the Master Plan, as required by HUD, will allow for public engagement and comment. An additional commenter supported using State funding for community advocacy organizations to ensure they are able to provide ongoing participation in the RBD process.

Staff Response:

DEP appreciates these comments and agrees that an extensive public participation process is an indispensable component of the RBD process. As

described in Action Plan Amendment No. 12 and indicated in the appended Organizational Chart, representatives of the targeted communities will have an important role throughout all phases and in all aspects of implementing these RBD projects.

Regarding outreach, for each project there will be a dedicated sub-committee to focus on outreach, including identifying stakeholders and incorporating input from all interested parties, including vulnerable populations. The composition of the sub-committee will be a topic of discussion for the Executive Steering Committee, and likely will include both state and local representatives.

Once the sub-committee is established – that is, one for each RBD project – one of its first tasks will be to develop a comprehensive outreach plan that, among other things, identifies stakeholders, neighborhood leaders and vulnerable communities and describes how those groups will be engaged as part of the RBD process. The sub-committee will be expected to significantly leverage the knowledge of local government officials or representatives who are best positioned to know the stakeholders, neighborhood leaders and vulnerable populations in their areas, and the most effective way to engage them in the RBD process. At least one community already has offered its resources to support this effort. This sub-committee will also assess the above suggestions raised by commenters.

Taking time to work through and develop a citizen participation plan by this process, which incorporates from the outset the knowledge and input of local partners, among others, will yield a more comprehensive and effective citizen participation plan for these targeted projects, and best achieve the goals described in the Federal Register Notice. *It is important to note that once the detailed outreach plan is developed by the sub-committee and reviewed by the Executive Steering Committee, it will be made available for public review and comment.*

Regarding the Open Public Meetings Act, the Executive Steering Committee is a purely advisory body. While Executive Committee members will have a critical role in providing input regarding the projects, all final decision-making authority with respect to both RBD projects rests exclusively with DEP. As a result, meetings of this committee are exempt from the Open Public Meetings Act.

Finally, there will be public engagement and comment solicited in connection with the development of the Master Plan required pursuant to HUD's Federal Register Notice (FR-5696-N-11).

COMMENT 5

PROJECT IMPACTS AND COMMUNITY DEMOGRAPHICS

A commenter stated that the RBD Amendment should include an analysis of the impacts on low-income communities and minority populations in their areas (e.g., manufactured housing parks in Moonachie, public and assisted housing in Hoboken), a description of how the strategies chosen will protect those communities from future storms rather than displace them, and a prioritization of funding for those areas of their plans.

Staff Response:

DEP appreciates the comments raised by the commenter. At this time the RBD projects exist as conceptual designs. Feasibility studies must be conducted to, among other things, fill in data gaps that may exist in the current conceptual designs and more completely assess what project components may be completed based on available resources, and the highest and best use of RBD funds. In addition to collecting additional data, these decisions will be informed by the Executive Steering Committee, as well as input from community residents and other stakeholders. Once the feasibility phase of the RBD projects is completed, DEP and its partners will be positioned to address the specific questions raised by the commenter.

COMMENT 6

**RBD ORGANIZATIONAL CHART; RBD PROJECT ADMINISTRATION;
SEPARATION BETWEEN RBD PROJECTS**

A commenter asked whether the organizational chart appended to Action Plan Amendment No. 12 was applicable to both RBD projects, and asked whether the chart meant that there would be separate organizations for each project, or one organization for both projects. Other commenters asked whether DEP currently has sufficient staffing to administer the RBD projects effectively, and supported the hiring of additional DEP employees to supplement DEP's capacity, provided that such additions are within the budget for RBD administrative costs. Another commenter expressed concerns about DEP having to procure external resources to implement the RBD projects. An additional commenter stated that separate and more detailed timelines, budgets and community outreach approaches should be specified for each RBD project.

Staff Response:

The RBD organizational chart appended to Action Plan Amendment No. 12 is applicable to both RBD projects. There will be a separate organization for each of the two RBD projects, although some of the same DEP personnel may be involved in both projects.

DEP appreciates the comments regarding its current staffing levels. During the course of the projects, DEP will evaluate its staffing needs regarding project management as well as permissive limits on program delivery and administrative costs. DEP will supplement its staff as necessary.

Given the scale of both RBD projects it would be impossible to complete the projects in a timely manner without using significant outside resources in the feasibility, design, pre-construction and construction phases. The balance between using available DEP resources and outside resources for different aspects of each RBD projects will be a topic of discussion for the Executive Steering Committees.

Finally, DEP agrees with the comment that separate and more detailed timelines, budgets and community outreach approaches need to be developed for each of the RBD projects. Before such timelines, budgets and community outreach approaches can be finalized, however, they must be discussed and developed through the respective Executive Steering Committees, and informed by additional information developed through the sub-committees, community outreach and a more detailed feasibility analysis. Per HUD's Notice, the State has included very general estimates of costs for the feasibility and design phases, but those estimates are subject to numerous variables. The State cannot estimate the cost of construction (or post-construction) until there is a project design.

COMMENT 7
ADDITIONAL ELEMENTS OF RBD PROCESS

A commenter requested that the RBD Action Plan Amendment provide:

- A description of how the grantee will encourage the provision of disaster-resistant housing for all income groups, including activities that may include (a) transitional housing; permanent supportive housing; and permanent housing needs of individuals and families that are homeless and at risk of homelessness; (b) the prevention of low-income individuals and families with children from becoming homeless; and (c) the special needs of persons who are not homeless but require supportive housing;
- An assessment of how planning decisions may affect racial, ethnic, and low-income concentrations, and ways to promote the availability of affordable housing in low-poverty, non-minority areas, where appropriate and in response to disaster-related impacts; and
- A description of how the grantee plans to minimize displacement of persons or entities, and assist any persons or entities displaced.

The commenter also asked that the project design phase include a process that identifies the needs and concerns of vulnerable populations; ensures that project areas will be affordable to those with a range of incomes and provides expanded opportunities for LMI residents; describes strategies for preventing LMI residents from being displaced and prioritizes funding for these communities; and utilizes metrics in the feasibility, design, permit review, pre-construction and construction phases to monitor housing affordability and compliance with HUD requirements.

Staff Response:

DEP appreciates this comment. The RBD projects will comply with all applicable laws and regulations, including all applicable fair housing laws and regulations. All necessary steps will be taken to ensure compliance.

Regarding the specific questions raised by the commenter, at this time the RBD projects exist as conceptual designs. Feasibility studies must be conducted to, among other things, fill in data gaps that may exist in the current conceptual designs and more completely assess what project components may be completed based on available resources, and the highest and best use of RBD funds. In addition to collecting additional data, these decisions will be informed by the Executive Steering Committee, as well as input from community residents and other stakeholders. Once the actual scope of the RBD projects to be undertaken is defined, DEP and its partners will be positioned to address the specific questions raised by the commenter.

**COMMENT 8
HUD NATIONAL OBJECTIVE**

A commenter asked for more information regarding the Amendment language specific to addressing HUD's national objective requirement for each project. Another commenter stated that there is a very large mobile home community in Moonachie and Little Ferry, much of which is LMI, so an RBD project supporting the needs of these communities will meet HUD's LMI national objective.

Staff Response:

The National Objective for the RBD projects will be LMI and/or Urgent Need.

To satisfy HUD regulations that require all CDBG-DR-funded projects to meet a "national objective" – such as LMI or Urgent Need – HUD's Federal Register Notice regarding RBD projects (FR-5696-N-11) allows grantees to "categorize the [RBD] project into multiple activities in order to distinguish and classify expenditures as benefitting [LMI] populations, as a means of meeting the overall benefit requirement." This is a different, and more permissive, national objective approach than that which applies to evaluating the satisfaction of the national objective requirement for non-RBD CDBG-DR funds. The language in

the Action Plan allows DCA, as the State's CDBG-DR grantee, to avail itself of the more flexible "national objective" standard applicable to the RBD projects.

DEP appreciates the comment regarding the LMI communities in Little Ferry and Moonachie. To the extent HUD's LMI national objective applies to component parts of the Meadowlands project or the Hudson River project – based on HUD regulations for assessing that objective – DEP will use that national objective (as compared to Urgent Need) for those project components.

**COMMENT 9
ENGAGING PRIVATE FINANCING ENTITIES; EXECUTIVE STEERING COMMITTEE
MEMBERSHIP**

A commenter stated that Amendment No. 12 should clarify the potential role that private financing entities may play, if any, in the development of RBD projects. The commenter stated that these entities should not be allowed to be part of the Executive Steering Committee as their inclusion could influence the authority of the Executive Steering Committee.

The commenter also stated that Amendment No. 12 should provide an exhaustive list of all entities that will be part of each project's Executive Steering Committee to avoid any confusion, and requested a memorandum of understanding between DEP and other Executive Steering Committee members describing the roles of each member in the implementation partnership.

Additionally, Region 2 of the U.S. Environmental Protection Agency (EPA) provided a comment requesting inclusion on the Executive Steering Committees of both projects to address federal permitting requirements and other federal environmental regulations including Section 10 of the Rivers and Harbors Act, Section 404 of the Clean Waters Act, NEPA, the Endangered Species Act and the Magnuson-Stevens Fishery Conservation and Management Act. Moreover, EPA will remain involved in RBD projects through the Sandy Recovery Infrastructure Resilience Coordination.

Staff Response:

DEP appreciates the comment, and the language of Amendment No. 12 will be clarified to specify that private entities cannot be members of the respective Executive Steering Committees. Apart from this clarification, DEP is not in a position at this early phase of the RBD projects to specify what the roles of private entities, if any, that may participate, or be engaged in, the RBD process may be.

DEP will take under consideration the commenter's proposal for a memorandum of understanding describing the roles of each member in the project implementation partnership. That said, consistent with the language of

Amendment No. 12, all final decision-making authority regarding either RBD project rests exclusively with DEP.

Finally, DEP agrees that having EPA Region 2 personnel participate in both RBD projects will be valuable and help expedite the RBD process. EPA will be invited to participate on the technical sub-committee/Project Development Team as identified in the RBD Organizational Chart. This team will be responsible for evaluating compliance and regulatory issues, including those identified in the comment.

**COMMENT 10
TIMING FOR RBD PROJECT COMPLETION**

A commenter stated that the project performance schedules should be modified so that, consistent with FR-5696-N-11, all CDBG-DR funds are obligated no later than September 2017.

Staff Response:

Per HUD's Federal Register Notice, the State must submit an updated RBD Amendment to HUD after completion of the draft Environmental Impact Statement (EIS). Upon approval of that Amendment, RBD funds will be considered obligated. As a result, DEP must have the draft EIS completed on or before June 2017 to allow the requisite time to prepare, submit and receive HUD approval on the required updated RBD Amendment.

Moreover, the State already has informed HUD that because of the size and scale of the RBD projects, the requirement that all CDBG-DR funds be disbursed by September 2019 likely will require an extension. While the Director of the federal Office of Management and Budget has authority under the Disaster Relief Act of 2013 (the "Act") to extend the September 2019 expenditure deadline in the Act, all CDBG-DR funds must be expended on or before September 30th of the fifth year following the statutory period of obligation. The statutory period of obligation under the Act ends in 2017, so even allowing for OMB waivers, all CDBG-DR funds must be spent by September 30, 2022. Amendment No. 12 has been revised to account for this expenditure deadline.

**COMMENT 11
MEADOWLANDS PROJECT – DEVELOPMENT BEHIND BERMS**

Commenters expressed concern about the portion of the Meadowlands conceptual design that calls for development behind installed berms. Some commenters stated that there should be no development at all behind the berms. A commenter stated that if such development occurs, the development should be affordable housing. Another commenter stated that if development occurs, it should only occur in targeted development areas described in the conceptual design, and not in other

areas. Commenters also suggested that any development of berms also should include redundant flood protection measures in case the berms are overtopped, and one commenter supported a requirement that electrical and heating equipment be elevated above the first floor.

Additionally, one commenter asked whether proposed development would be constructed on land that was previously open space, or whether existing development would be replaced. The commenter also asked whether stormwater from development would be directed into wetlands areas, and inquired about costs and responsibility for maintenance of the berms.

Staff Response:

DEP appreciates the concerns raised by the commenters and will take them under advisement. At this time, the Meadowlands project is only a design concept; a feasibility study must be conducted to assist with arriving at a project design in the pilot area that can be realized with available funding. It is premature to speculate now as to how, if at all, a project design following the feasibility phase might allow for development behind any berms, and what development, if any, should occur. Going forward, as the project develops from a conceptual design to an actual, feasible project that can be realized with available funding, there will be various opportunities to raise and discuss the concerns raised by the commenters.

Regarding the commenter's suggesting of redundant flood protection behind any berms, increasing flood protection – for example, by building to a more conservative projection of potential future sea level rise – usually increases overall project cost. When evaluating each RBD project, DEP and its partners will have to assess different level of flood risk protection, including redundancy, and the costs associated with building to those levels. The decision on this component of project design, which is premature until the feasibility phase of each RBD project is completed, likely will be informed by such factors as how much funding is available for the project, the extent of additional protection that would be afforded by redundancy, and the opportunity cost of using limited project funding to build redundancy into flood protection as compared to using the same funding to realize other components of the RBD project concept.

COMMENT 12

MEADOWLANDS PROJECT – WETLANDS; BIODIVERSITY

Commenters stated that the Meadowlands project should simultaneously focus on flood protection and conservation. Commenters further stated that protecting habitats and native species, and accounting for biodiversity, all should be considered as part of the RBD project, and also supported the incorporation of

wetlands as a natural flood protection measure in connection with the RBD project. A commenter supported the incorporation of ecologists into the development of the Meadowlands project. Another commenter expressed concern about restoration efforts in connection with the project impinging on open space, and asked whether the net gain of marshland in connection with the project will be positive or negative.

Staff Response:

DEP agrees that the feasibility and design phases of the Meadowlands project should consider opportunities to enhance conservation, protect natural habitats and native species, and account for biodiversity.

Regarding wetlands, DEP agrees that wetlands are meaningful natural flood protection measures that, among other things, reduce wave action. DEP will take all of these comments under advisement. At this time, the Meadowlands project is only a design concept; a feasibility study must be conducted to assist with arriving at a project design in the pilot area that can be realized with available funding. It is therefore premature to speculate whether and how the actual project design may incorporate wetlands. Going forward, as the project is developed from a conceptual design to an actual project that can be realized with available funding, there will be various opportunities to raise and discuss the concerns raised by the commenters.

DEP and its partners will evaluate the commenter's suggestion, but DEP does have subject matter experts with the ability to assess wetlands and the ecology of the Meadowlands. DEP will utilize these resources as necessary.

COMMENT 13

MEADOWLANDS PROJECT – ADDITIONAL PROJECT INFORMATION

A commenter stated that the conceptual design for the Meadowlands project did not provide enough information about what actually would be constructed with available funding, and that the public comment period on the project should remain open until such time that more specific information about the project that can be constructed with available funding is provided. Another commenter asked about how many acres of wetlands would be filled in for the Meadowpark/Meadowband components of the project as well as when a report on any wetland fill would be made available for public review and comment.

Staff Response:

DEP appreciates the commenter's concern that the Meadowlands project conceptual design, as awarded by HUD, does not provide specific details about a project that can be completed in the pilot area with available resources, including whether such project would involve the filling of any wetlands. The feasibility and design phases of the Meadowlands project will focus on

developing that specific project and, at various points throughout those phases, information will be disseminated and input from community residents and other stakeholders will be solicited. This outreach and engagement will be the focus of the outreach sub-committee for the Meadowlands project described in the response to Comment 4. Also, once each RBD project is fully designed, the State will prepare a substantial Action Plan Amendment, which will be subject to a formal public comment and hearing process pursuant to HUD's Federal Register Notice (FR-5696-N-11).

COMMENT 14

MEADOWLANDS PROJECT – PROTECTING BUSINESSES

A commenter expressed support for the Meadowlands project and the potential economic benefits to the region. The commenter stated that regional protection, including specifically protections for the existing business community, should be considered as part of the RBD project.

Staff Response:

DEP appreciates the comment and agrees that evaluating the protection afforded to businesses in the targeted communities should be a component of the feasibility and design phases of the Meadowlands project. Regarding evaluating the RBD projects as part of a larger regional analysis, see DEP's response to Comment 2.

COMMENT 15

MEADOWLANDS PROJECT – NJ MEADOWLANDS COMMISSION

A commenter asked about how the elimination of the New Jersey Meadowlands Commission will impact the Meadowlands RBD project.

Staff Response:

The Hackensack Meadowlands Agency Consolidation Act calls for the eventual transfer of the duties and responsibilities of the New Jersey Meadowlands Commission and the New Jersey Sports and Exposition Authority to the Meadowlands Regional Commission created by the legislation. It will be the responsibility of DEP, working through the Executive Steering Committee and outreach sub-committee on the Meadowlands Project, as described in more detail in the response to Comment 4, to identify and engage community residents, governmental entities and other stakeholders that can bring valuable perspective to the implementation of the Meadowlands project.

COMMENT 16

MEADOWLANDS PROJECTS – PROJECT DESIGN

A commenter stated that the Meadowlands project should allow for an integrated design of natural protections, such as berms, with hard infrastructure and development, with an emphasis on shared amenities and spaces. The commenter supported an efficient development process integrating engineering needs and stakeholder support.

Staff Response:

At this time, the Meadowlands project exists as conceptual designs. Feasibility studies must be conducted to, among other things, fill in data gaps that may exist in the current project designs and more completely assess what project components may be completed based on available resources, and the highest and best use of RBD funds. In addition to collecting additional data, these decisions will be informed by the Executive Steering Committee, as well as input from community residents and other stakeholders. Once the feasibility phase of the RBD projects is completed, DEP and its partners will be positioned to address the suggestions raised by the commenter.

Additionally, DEP agrees with the commenter’s emphasis on community and stakeholder engagement in the RBD process. The response to Comment 4 addresses the outreach approach as established thus far, and the outreach approach will be further built out through the state/local sub-committees on citizen participation and community outreach.

COMMENT 17

HUDSON RIVER PROJECT – CONSTRUCTION OF “RESIST” COMPONENTS

A commenter asked for a defined timeline for constructing the “Resist” components of the Hudson River project. The commenter also requested that the northern and southern “Resist” components of the project proceed on parallel tracks and be considered separate projects from the FTA-funded Long Slip Canal project. The commenter stated that value engineering be considered, if necessary, to ensure the “Resist” strategy is completed with available funding.

Staff Response:

DEP appreciates these comments. Initially, DEP must proceed with the implementation of the Hudson River project in a manner consistent with HUD’s Federal Register Notice (FR-5696-N-11) that governs the use of RBD funds. Among other things, the Notice requires a Master Plan that evaluates all proposed components of the conceptual design, which then informs the best use of available RBD resources. As a result, to be consistent with HUD’s regulations, DEP at this time cannot commit to funding specific portions of the Hudson River

project's conceptual design until the conceptual design is evaluated through the feasibility phase. The feasibility phase is expected to require 18-24 months, at which point DEP will be positioned to evaluate the commenter's suggestions.

If the feasibility process and development of the master plan counsels in favor of pursuing the "Resist" components of the conceptual design, then the commenter's suggestions of having the northern and southern components proceed on parallel tracks, while seemingly meritorious, must be evaluated by the Executive Steering Committee and informed through a robust community and stakeholder input process. DEP and its partners also will take under consideration the commenter's proposal of using value engineering during the feasibility phase, if necessary.

Finally, DEP agrees with the commenter that the Hudson River project is an entirely separate, and separately funded, project from New Jersey Transit's Long Slip Canal project funded with FTA monies. While the Hudson River project and Long Slip project should work together to defend against future flood risk, and DEP will work to ensure they are compatible, development of the projects is not intertwined, and each will be pursued independently of the other. The language of Amendment No. 12 specifies this separation.

COMMENT 18

HUDSON RIVER PROJECT – ENGAGING OMA CONCEPTUAL DESIGN TEAM

A commenter stated that the OMA team retained by HUD that developed the conceptual design for the Hudson River project should be retained to assist with project implementation, particularly given their knowledge of the project area and of the conceptual design.

Staff Response:

As required by federal and state law, the retention of all outside consultants and resources must be undertaken in a manner consistent with state procurement law, which for these types of services would require an open and competitive procurement process. The OMA team, or members of that team, may bid on procurement opportunities that arise in the context of the Hudson River project, or may align themselves with entities that will bid on project procurement opportunities. However, final selection must be made through the competitive process in a manner consistent with state law.

COMMENT 19

HUDSON RIVER PROJECT – QUARTERLY PROJECT TIMELINES

A commenter stated that DEP should develop a quarterly project timeline for the Hudson River project to more fully articulate a time frame for the feasibility, design, construction and post-construction phases. The commenter suggested that this

timeline also account for an environmental assessment during the feasibility and design phases.

Staff Response:

DEP appreciates the comment and will raise this proposal at the Executive Steering Committee for discussion. Additionally, general, non-binding project timeline estimates for RBD project phases, which are subject to numerous variables, are set forth in Section 3.

COMMENT 20

HUDSON RIVER PROJECT – CONSTRUCTION OF PUMP STATION

Commenters asked to delay the placement of any flood pump on 11th Street along the Hoboken Waterfront in the short-term given the multi-year feasibility and design work that will need to be conducted in connection with the Hudson River project. Commenters stated that all options need to be understood on how best to optimize flood prevention in connection with the Hudson River project before taking any step that might negatively impact the waterfront community, which is also an important real estate tax base for Hoboken, and the population currently residing there. A commenter suggested that the pumping station be relocated to an area that is less populated, where construction would be less disruptive to Hoboken residents.

Staff Response:

As to the use of CDBG-DR funds provided by HUD to implement the Hudson River project, construction will not occur until after the conclusion of the feasibility, design and pre-construction phases of the project. Among other things, this ensures that federal funds are expended in a manner compliant with federal requirements.

To the extent local government funds also may be brought to bear to support the project, DEP does not control the use of those resources and defers to the locality on the timing and use of the funds.

COMMENT 21

HUDSON RIVER PROJECT – CONCEPTUAL DESIGN COMPONENTS

A commenter stated that the flood mitigation plan for Hoboken and the implementation of the RBD project should not only consider the impacts from Sandy, but impacts from all potential flooding events. The commenter also stated that locations of flood pumps, retention basis and other mitigation measures must be based on the best and most accurate available data on how Hoboken has flooded during Sandy and previous storm events. The commenter further stated that the conceptual design does not address issues created by Hoboken's combined

sewer/stormwater system and that a more comprehensive plan is needed to address the North Hudson Sewerage Authority's system. The commenter supported the separation of the stormwater and sewerage lines in Hoboken. The commenter also supported wet flood-proofing solutions for urban buildings that cannot be elevated.

Commenters additionally expressed concerns with the proposed flood wall in the conceptual design, stating that: the flood wall was not presented by OMA when its plan was initially unveiled; the wall is proposed near a waterfront area that was not seriously impacted by storm surge nor is in FEMA's flood zones; the wall would block views from the waterfront park and other areas, and negatively impact the business and residential community in that area; and the plan does not address flooding impacts that would occur at either end of the wall. A commenter also stated that Sandy was an exceedingly rare storm event, and does not warrant a response that would so significantly impact the waterfront.

Staff Response:

DEP appreciates these comments and will take them under advisement. At this time, the Hudson River project exists as a conceptual design. A feasibility study must be conducted to, among other things, fill in data gaps that may exist in the current project designs and more completely assess what project components may be completed based on available resources, and the highest and best use of RBD funds. In addition to collecting additional data, these decisions will be informed by the Executive Steering Committee, as well as input from community residents and other stakeholders.

Once the first phase of the RBD projects is completed, DEP and its partners will be positioned to address which components of the project are feasible. This will be undertaken in connection with complying with HUD's requirement that a master plan be developed which assesses the components of the conceptual design. If the components deemed feasible include the features described by these commenters, DEP will revisit the concerns raised.

COMMENT 22

HUDSON RIVER PROJECT - PROJECT BUDGET

A commenter stated that of the total \$230 million allocated for the Hudson River project, estimates should be provided for different elements of the project, including planning, pre-development, capital construction costs, and program delivery. The commenter further stated that this type of breakdown would also help identify what, if any, funding gap exists for implementation of the Hudson River project.

Another commenter requested a more detailed budget estimate for the use of the \$230 million awarded to the Hudson River project. The commenter stated that

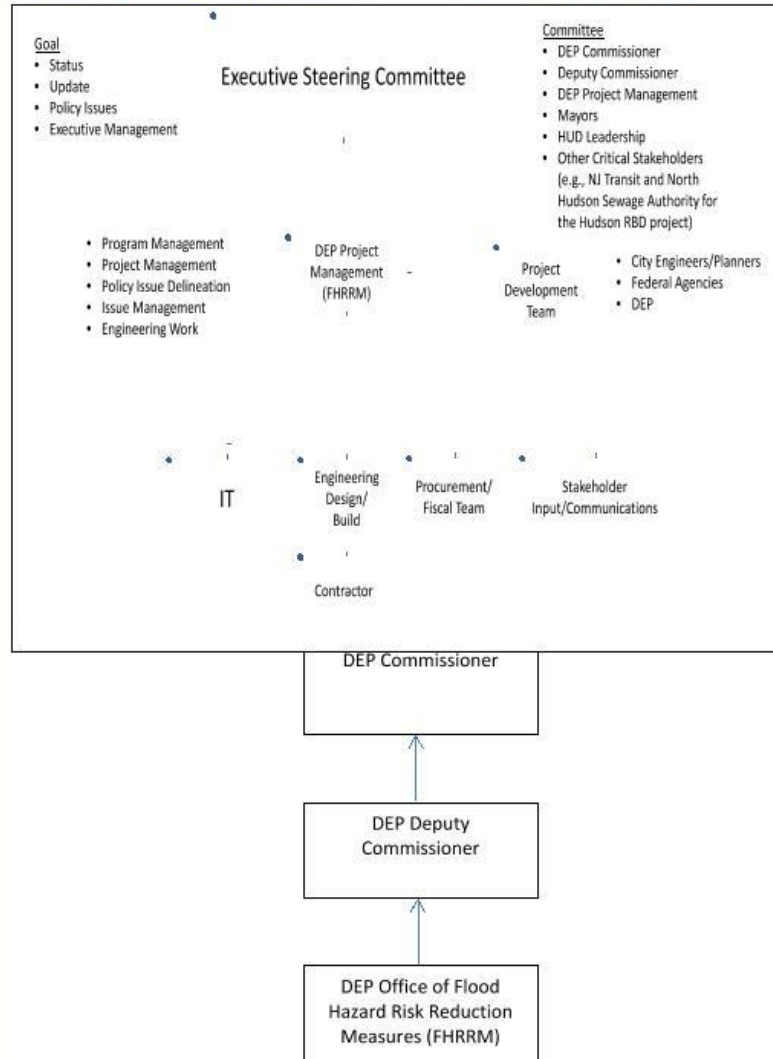
while OMA submitted a proposed budget for the first phase of the project totaling \$470 million, less than half of that figure was actually awarded by HUD for the project. The commenter further indicated that a more detailed budget is necessary to ensure funds are spent efficiently and to understand the deliverables and outcomes that can be achieved with the current funding.

Staff Response:

While DEP agrees with the commenter that developing preliminary estimates may be a valuable exercise, and has included very general, non-binding estimates of timelines and costs for the feasibility and design phases, there is concern about the reasonableness, and therefore the value, of any cost estimates for pre-development, capital construction and program delivery costs before completion of the feasibility and design phases.

DEP also appreciates the second commenter's concerns. Feasibility studies must be conducted to, among other things, fill in data gaps that may exist in the current project designs and more completely assess what project components may be completed based on all available resources, and the highest and best use of RBD funds. In addition to collecting additional data, these decisions will be informed by the Executive Steering Committee, as well as input from community residents and other stakeholders. Once the feasibility phase of the Hudson River projects is completed, accounting for input from partners, residents and stakeholders, DEP and its partners will be better positioned to define which components of the Hudson River project will be targeted by the \$230 million in project funding.

Rebuild By Design Organizational Chart: Advisory Structure



* Advice from the Executive Steering Committees will be considered by FHRRM and reported up to the Commissioner who has final decision-making authority. The Commissioner also chairs the Executive Steering Committees and will be directly informed of the Committee's advice.

New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY

Public Law 113-2, January 29, 2013; FR-5696-N-01, March 5, 2013; FR-5696-N-06, November 18, 2013



ACTION PLAN AMENDMENT NUMBER 6 – SUBSTANTIAL AMENDMENT AMENDMENT FOR THE TRANSFER OF SANDY CDBG-DR FUNDS

- Transfer of Funds from the Landlord Incentive Program to the Supportive Services Program
- Creation of the Lead Hazard Reduction Program

PUBLIC COMMENT PERIOD: February 3–March 5, 2014

DATE SUBMITTED TO HUD: March 25, 2014

DATE APPROVED BY HUD: _____

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner



101 South Broad Street, P.O. Box 800
Trenton, NJ 08625-0800

**Action Plan Amendment Number 6 (Substantial) to Superstorm Sandy Disaster Relief Appropriation,
Public Law 113-2, 2013**

I. OVERVIEW

The State of New Jersey has submitted and received approval for its Action Plan on April 29, 2013. Subsequently, five ensuing Action Plan Amendments (APAs) as posted on the DCA website have been approved. The Action Plan and Amendments describe the recovery programs and associated funding for the first allocation of Superstorm Sandy disaster award authorized by P.L. 113-2, 2013 with an allocation of \$1,829,250,000 under this appropriation.

This **Action Plan Amendment Number Six (APA 6)** is the State's second *Substantial Amendment*. This amendment is considered a substantial amendment according to the definition in the HUD Federal Register and in accordance with the State's Citizen Participation Plan since it involves a re-allocation of more than \$1,000,000. This amendment also creates a new program related to addressing lead based paint hazards.

This Amendment may be obtained via the Internet at the DCA website - <http://www.state.nj.us/dca/>, or by contacting Jaime Saults at 609-633-1328; or by email to sandy.recovery@dca.state.nj.us with attention to Jaime Saults. The proposed Action Plan Amendment is published in English and Spanish on the same website.

Written comments on the proposed Action Plan Amendment were accepted for the minimum of thirty days from the date of posting. Comments were submitted from Monday, February 3, 2014 to 5:00 PM (EST) on Wednesday, March 5, 2014. Three public hearings were held during the comment period.

Comments were accepted at the hearings, via U.S. mail, and via email to sandy.publiccomment@dca.state.nj.us.

II. ACTION PLAN MODIFICATIONS

The following table describes the funding transfer between approved recovery activities contained in Substantial Action Plan Amendment Number 5.

Approved NJ Action Plan Program	Activity Previous Amount	Amount of Transfer	Activity Revised Amount
Supportive Services	\$10,000,000	(+) \$22,000,000	\$32,000,000
Landlord Incentive Program	\$40,000,000	(-) \$22,000,000	\$18,000,000

A. Transfer of Funds from the Landlord Incentive Program to the Supportive Services Program

The Landlord Incentive Program was launched to provide rental subsidies for units set aside to serve low and moderate income individuals and families. Given the Department of Community Affairs' commitment to increasing the availability of affordable rental units, coupled with an increased demand for individual rental assistance, the State is proposing to shift \$17,000,000 in project-based rental assistance, to provide tenant-based rental assistance. The ultimate goal is preserved in this funding shift -- to increase provision of affordable rental units to low-to-moderate income households. The program is already established within *Section 4.5 Supportive Services Program* under an activity designed to prevent homelessness among low income residents in counties impacted by Superstorm Sandy. *This transfer of funds is subject to HUD's approval of a waiver request from the State to allow the program to proceed as planned.*

Additionally, the State will transfer \$5,000,000 from the Landlord Incentive Program to the new Lead Hazard Reduction Program. Details of the program are noted as follows.

B. Creation of the Lead Hazard Reduction Program

The Department of Health received Social Services Block Grant (SSBG) funding for a Lead Risk Assessment Program for Young Children. This program provides funding for community outreach and testing of young children, pregnant women, and adults performing physical recovery work for blood lead levels and case management services. However, the SSBG funding does not cover lead assessment and remediation. To address this need, DCA proposes to implement a **Lead Hazard Reduction Program** with a primary focus on providing funding for lead assessment, lead hazard reduction, and clearance. Homes targeted for hazard reduction will be homes impacted by Superstorm Sandy. Paint will typically begin to flake once surfaces that were submerged in water begin to dry. As a result, flooded homes built prior to 1978 are more likely to experience increased lead and other health hazards.

This program will fall under *Section 4.5 Supportive Services Programs*. The program is funded with \$5,000,000 reallocated to the program from the Landlord Incentive Program. The program will be inserted into the Action Plan as below:

{insert section} 4.5.1 Lead Hazard Reduction Program

Lead Agency: Department of Community Affairs

Allocation for Activity: \$5,000,000

Eligible Entities: Community based organizations and units of local and county government with experience in administering lead hazard reduction and/or weatherization programs.

Process: DCA will issue a request for proposals to identify qualified nonprofit community based organizations and local public agencies to conduct lead hazard reduction programs.

Eligible Activities:

- Assessment of lead based paint hazards in single and multi-family residential units

- Abatement, remediation or reduction of lead paint hazards in residential units

DCA may also elect to allow other moderate levels of repair to occur in combination with the lead paint abatement, including addressing other environmental hazards such as mold, as well as other ancillary costs to performing the abatement.

Eligibility: Section 105(a)(4) and (a)(25)

National Objective: Low and moderate income; urgent need

PUBLIC COMMENTS AND STAFF RESPONSES

Per HUD requirements, this proposed Substantial Amendment was made available for public comment over a thirty-day period. While the State was required to hold one public hearing to solicit comments in connection with this proposed amendment, it held three hearings (February 11, 2014; February 12, 2014; and February 21, 2014). Commenters could submit comments to this proposed amendment (i) via email; (ii) via U.S. mail; or (iii) via oral or written comments at the public hearings.

Consistent with HUD guidance, the State has synthesized the comments submitted with respect to this proposed Substantial Amendment, and provides responses to those comments below.

COMMENT 1 SUPPORT FOR STATE PROPOSALS

Commenter expressed support for different components of proposed Substantial Amendment No. 6.

Staff Response:

The State appreciates the support offered by the commenter for the Action Plan Amendment.

COMMENT 2 FUNDING ALLOCATION

Three commenters raised issues relating to the overall funding allocation proposed in this Substantial Amendment, asserting that: (i) more funding should be allocated to the voucher program; (ii) no funding should be transferred from the Landlord Incentive Program; and (iii) funding should be instead allocated to the RREM waiting list. Notably, one commenter's concern appears to be driven by a mistaken belief that funds are being transferred from the Landlord Rental Repair Program (LRRP). In fact, funds are being transferred from the Landlord Incentive Program (LIP).

Staff Response:

The Landlord Incentive Program (LIP) provides affordable rental housing through rental subsidies to property owners who agree to set aside affordable units. The transfer of funds from LIP to a tenant-based voucher program preserves the ultimate goal of providing affordable rental units in a rental market depleted by Superstorm Sandy.

Moreover, because the new assistance is tenant-based, households may choose to live in any affordable, standard unit in New Jersey where the owner agrees to participate, providing the family with flexibility to make choices about which units, neighborhoods and towns best meet their needs. It is anticipated that providing individuals with the choice of where to live rather than requiring them to choose from a pool of participating landlords will result in a higher rate of participation. Further, to be clear, no funds are being transferred as part of this proposed Substantial Amendment from the fully subscribed Landlord Rental Repair Program.

Finally, because the amount of recovery needs far exceed available funding to address those needs, the State must make difficult choices and balance diverse interests. The State agrees with the commenter's assertion that additional funding is required to serve households on the RREM waitlist, and has proposed in Substantial Amendment No. 7 to commit an additional \$390 million to the RREM program from its second tranche of funds, assisting approximately 3,000 applicants. However, many rental households were also significantly impacted by Superstorm Sandy, and providing significant assistance to those households, including through this program, is also a critical recovery priority.

COMMENT 3
LIP SUBSCRIPTION

Commenter expressed that the State should evaluate what factors caused the Landlord Incentive Program (LIP) to be undersubscribed before transferring funds to another rental assistance program.

Staff Response:

The State undertook a detailed review of the Landlord Incentive Program in connection with proposing this Substantial Amendment. The State has received and approved 53 applications from landlords who applied to LIP for close to 350 units, resulting in assistance of over seven million dollars to property owners. There are many advantages for a landlord to participate, including a stable stream of rental income and the State conducts some of the administrative review typically done by an owner before renting a unit, such as income verification. The application period remains open until May 31, 2014 and the State encourages any eligible landlord to apply: https://njdcasage.state.nj.us/RFPMAILINGREQUEST_List.asp.

However, given the pace of applications, a portion of LIP funds by projection will likely remain unspent at the expected rate. Yet, families remain displaced by Superstorm Sandy and continue to need rental assistance. As a result, and with permission from HUD to proceed in light of applicable federal regulations, the State has proposed a program to provide rental vouchers to households. The State anticipates that this approach, which provides individuals with more choice as to the units, neighborhoods and towns that best meet their needs rather than requiring them to choose from a pool of participating landlords, will result in a higher rate of participation. As stated above, the LIP funds will be transferred to a program that will achieve the same ultimate goal and will assist individuals displaced by Superstorm Sandy through rental assistance.

COMMENT 4
PROGRAM DETAILS

Commenter stated that the proposed Substantial Amendment does not provide sufficient information regarding how the voucher program or Lead Hazard Reduction Program will operate.

Staff Response:

The Action Plan, and by extension this proposed Substantial Amendment to the Action Plan, is intended to describe the basic framework for proposed programs. More specific programmatic details are set forth in the policies and procedures created after HUD has approved the basic framework. The policies and procedures for each program will be available on the DCA website, as they are for other Sandy recovery programs, once the Action Plan Amendment is approved by HUD and the policies and procedures are developed.

New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT
BLOCK GRANT - DISASTER RECOVERY

Public Law 113-2; January 29, 2013
FR-5696-N-01; March 5, 2013
FR-5696-N-06; November 18, 2013
FR-5696-N-11; October 16, 2014



ACTION PLAN AMENDMENT NUMBER 16 - SUBSTANTIAL AMENDMENT AMENDMENT FOR THE TRANSFER OF SANDY CDBG-DR FUNDS

- **Transferring Funds from the Homeowner Resettlement Program, the Neighborhood Enhancement Program and the Essential Services Grant Program to the LMI Homeowners Rebuilding Program**

PUBLIC COMMENT PERIOD: _____
DATE SUBMITTED TO HUD: _____
DATE APPROVED BY HUD: _____

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Charles A. Richman
Acting Commissioner



101 South Broad Street, P.O. Box 800
Trenton, NJ 08625-0800

SECTION 1: OVERVIEW

New Jersey received approval from the U.S. Department of Housing and Urban Development (HUD) for its CDBG-DR Action Plan on April 29, 2013. The Action Plan described the State's allocation of the \$1,829,520,000 of first round CDBG-DR funds allocated by HUD to support New Jersey recovery efforts. Since that time, the State has submitted, and HUD has approved, fifteen amendments to the Action Plan, including Substantial Amendment Number 7, which described the allocation of \$1,463,000,000 of second round CDBG-DR funds across recovery programs, and Substantial Amendment Number 11, which described the allocation of \$501,909,000 of the third (and final) round of discretionary CDBG-DR funds intended to address unmet recovery needs.

This **Action Plan Amendment Number 16 (APA 16)** is considered a substantial amendment according to the definition in the HUD Federal Register and in accordance with the State's Citizen Participation Plan because it involves a re-allocation of more than \$1,000,000 of CDBG-DR funds.

This Amendment is being made available in English and Spanish via the Internet at DCA's website -- <http://www.renewjerseystronger.org> -- and also can be obtained through email to sandy.recovery@dca.nj.gov or by contacting Constituent Services at 609-292-3750. If additional language translation services are needed please call 1-855-SANDYHM (1-855-726-3946). When the agent answers the line, inform them of the appropriate language. For Hearing Impaired Users, Text Telephone Service is available at (TTY/TDD) 609-984-7300 or 1-800-286-6613.

The public comment period for APA 16 will be open from July 6, 2015 to 5:00 PM (EST) on August 4, 2015. Per HUD requirements, a public hearing also will be held during the comment period on the following date and at the following location:

- July 21, 2015; Brookdale Community College (Monmouth County); Robert J. Collins Arena; 765 Newman Springs Road, Lincroft, NJ 07738; 4–7 pm

Comments on this proposed amendment can be submitted at the hearings, or via email to sandy.publiccomment@dca.nj.gov or U.S. mail addressed to Sandy Recovery Division, Constituent Services, NJ Department of Community Affairs, 101 South Broad Street, Post Office Box 823, Trenton, New Jersey 08625-0823. All comments are given the same consideration regardless of the method of submission.

SECTION 2: FUNDING TRANSFER

Housing remains the State's foremost recovery priority. Of the \$3,794,429,000 of discretionary CDBG-DR funds that the State has been allocated by HUD, more than \$2.5 billion (~66%) has been dedicated to homeowner- and renter-focused programs and initiatives. Moreover, the Christie Administration is committed to fully funding every eligible applicant to the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) Program, as well as to the LMI Homeowners Rebuilding Program, which seeks to serve all eligible low- or moderate-income (LMI) applicants who meet all RREM eligibility criteria but did not apply to the RREM program.

Using second round CDBG-DR funds, the State allocated \$40 million to establish the LMI Homeowners Rebuilding Program, which includes a \$10 million initial reserve for eligible applicants who own manufactured housing units/mobile homes. The application period for the program opened in January 2015 and extended to March 20, 2015. Outreach for the LMI Homeowners Rebuilding Program, driven by DCA and non-profit partners, was extensive.

In total, 538 applicants have been determined to be preliminarily eligible for the LMI Homeowners Rebuilding Program based on the established eligibility criteria and the information provided by applicants in their applications. Based on this figure, additional funds need to be transferred to the program in order to avoid having to create a program waitlist. If further CDBG-DR funds prove necessary to fully fund all eligible applicants that proceed through the program, additional CDBG-DR funds will be shifted into the program to meet the need.

To avoid having to create a waitlist for the LMI Homeowners Rebuilding Program, Table 1 describes the funding transfer of CDBG-DR funds to the LMI Homeowners Rebuilding Program from three different existing CDBG-DR funded recovery initiatives. Importantly, none of these transfers will affect any existing funding commitments to individuals or projects.

Approved NJ Action Plan Program	Activity Previous Allocation	Amount of Transfer	Activity Revised Allocation
Homeowner Resettlement Program	\$215,000,000	(-) \$10,000,000	\$205,000,000
Neighborhood Enhancement Program	\$50,000,000	(-) \$10,000,000	\$40,000,000
Essential Services Grants Program	\$145,000,000	(-) \$9,000,000	\$136,000,000
LMI Homeowners Rebuilding Program	\$40,000,000	(+) \$29,000,000	\$69,000,000

2-1

Homeowner Resettlement Program (\$10 million)

The State allocated \$215 million of CDBG-DR funds to the Homeowner Resettlement Program, which provided \$10,000 of non-construction-related financial assistance to eligible Sandy-affected homeowners. As a condition of receiving program funds, applicants committed to continued residence within one of the nine most-impacted counties for a period of at least three consecutive years.

The program served all eligible applicants, disbursing more than \$185 million across more than 18,500 households. Among other things, the Homeowner Resettlement Program along with FEMA Individual Assistance (approximately \$190 million), the Working Families Living Expenses Voucher Program, also known as SHRAP (approximately \$100 million) and, now, the Rental Assistance Program (\$9.5 million) has provided funding to support households paying both a mortgage and rent while displaced by Sandy-related damage or reconstruction.

DCA currently is in the process of reviewing compliance of Resettlement grant recipients to ensure that they fulfill the three-year residency commitment that was a condition of receiving program funds. While DCA will continue to incur compliance review and other program delivery costs until the official close-out of the Homeowner Resettlement Program, DCA has concluded that \$10 million of program funding can be transferred without materially affecting DCA's ability to satisfy program obligations. These funds will be transferred to the LMI Homeowners Rebuilding Program based on the identified unmet needs.

Neighborhood Enhancement Program (\$10 million)

The State allocated \$50 million of CDBG-DR funds to the Neighborhood Enhancement Program (NEP), previously termed as the Blight Reduction Program in the CDBG-DR Action Plan, including \$20 million from the second round of CDBG-DR funds. NEP was established to fund the rehabilitation or re-use of foreclosed, vacant or abandoned properties that present risk of neighborhood blight to create affordable housing.

Of the \$20 million of second round NEP funds, the first \$10 million has been made available for Community Development Financial Institutions (CDFIs) and Community Housing Development Organizations (CHDOs) to submit applications for funding based on projects that further program goals and satisfy program guidelines. The application period opened in March 2015, and closed on June 26, 2015, with applications to be reviewed and funded based on the established objective program criteria. The remaining \$10 million of second round NEP funds was held in reserve to evaluate the demand for the initial \$10 million of second

round NEP funds by CDFIs and CHDOs and the nature of the projects submitted. As a result, none of that funding is currently committed to any existing projects.

The uncommitted \$10 million of second round NEP funds will be transferred to the LMI Homeowners Rebuilding Program to address the identified unmet needs.

Essential Services Grants Program (\$9 million)

The Essential Services Grant Program (ESG) provides competitive grants to eligible counties, municipalities, school districts and other local government entities hit hard by Superstorm Sandy that, but for ESG funding, would not be able to provide essential public services (public safety; public works; sanitation; education; etc.) to residents. As an ancillary benefit, ESG mitigated risk of unsustainable property tax increases to community members in hard-hit municipalities with budgets strained by recovery-related expenses and, in many cases, depleted ratable bases. Among others, this program has benefitted hard-hit areas like Atlantic City, Brick, Keansburg, Sea Bright, Seaside Heights and Toms River.

ESG, administered by DCA's Division of Local Government Services, was allocated \$145 million of CDBG-DR funds and has disbursed grant funding in three separate funding rounds -- one in each of 2013; 2014 and 2015. Accounting for distributions across all three years, including the recently announced 2015 ESG awards to eligible applicants, as well as program administration costs, the Division of Local Government Services has concluded that \$136 million will be sufficient to fully fund the program. As a result, the remaining \$9 million will be transferred to the LMI Homeowners Rebuilding Program to satisfy the identified unmet need.

SECTION 3: PUBLIC COMMENTS/RESPONSES

As required by HUD, this proposed Substantial Amendment will be made available for public comment over a period of at least thirty days. Also per HUD requirements, the State will hold a public hearing to solicit comments in connection with this proposed amendment. The date and location of the public hearing are:

- July 21, 2015; Brookdale Community College (Monmouth County); Robert J. Collins Arena; 765 Newman Springs Road, Lincroft, NJ 07738; 4–7 pm

Commenters may submit comments to this proposed amendment (i) via email to sandy.publiccomment@dca.nj.gov (Subject: APA 16); (ii) via U.S. mail; or (iii) via oral or written comments at the public hearing. All comments are given the same amount of consideration regardless of the method of submission.

After the public comment period closes, the State will synthesize the comments submitted on this proposed amendment and include responses to those comments received as part of the final amendment submitted to HUD for review and approval.

Grantee SF-424's and Certification(s)

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-L.L.L., "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts

under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



Signature/Authorized Official

Commissioner

Title

8/12/15

Date

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.



Signature/Authorized Official

Commissioner

Title

8/12/15

Date

ESG Certifications

Each State that seeks funding under the Emergency Solutions Grants Program must provide the following certifications:

Matching Funds – The State will obtain any matching amounts required under 24 CFR 576.201 in a manner so that its subrecipients that are least capable of providing matching amounts receive the benefit of the exception under 24 CFR 576.201(a)(2).

Discharge Policy – The State will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Confidentiality – The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

The State will ensure that its subrecipients comply with the following criteria:

Major rehabilitation/conversion – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The subrecipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for such individuals.

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2015-2019, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. Special Assessments. The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.



Signature/Authorized Official
Commissioner

Title

8/12/15

Date

HOPWA Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.



Signature/Authorized Official

8/12/15
Date

Commissioner
Title

Homeless Persons Involvement – To the maximum extent practicable, the subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted ESG.


Consolidated Plan – All activities the subrecipient undertakes with assistance under ESG are consistent with the State's current HUD-approved consolidated plan.

Cl. A. Brach
Signature/Authorized Official
Commissioner
Title

8/12/15
Date

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: 08/10/2015	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: NJ DEPARTMENT OF COMMUNITY AFFAIRS		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 216000928	* c. Organizational DUNS: 3064171430000	
d. Address:		
* Street1: 101 S. BROAD STREET	<input type="text"/>	
Street2: <input type="text"/>	<input type="text"/>	
* City: TRENTON	<input type="text"/>	
County/Parish: <input type="text"/>	<input type="text"/>	
* State: NJ: New Jersey	<input type="text"/>	
Province: <input type="text"/>	<input type="text"/>	
* Country: USA: UNITED STATES	<input type="text"/>	
* Zip / Postal Code: 08625-0251	<input type="text"/>	
e. Organizational Unit:		
Department Name: NJ DCA	Division Name: HOUSING & COMMUNITY RESOURCES	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>	* First Name: SHERI	
Middle Name: <input type="text"/>	<input type="text"/>	
* Last Name: MALIAK	<input type="text"/>	
Suffix: <input type="text"/>	<input type="text"/>	
Title: <input type="text"/>	<input type="text"/>	
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 609-984-8453	Fax Number: 609-292-9653	
* Email: SHERI.MALIAK@DCA.NJ.GOV		

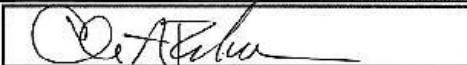
Application for Federal Assistance SF-424	
<p>* 9. Type of Applicant 1: Select Applicant Type:</p> <p>A: State Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>* Other (specify):</p>	
<p>* 10. Name of Federal Agency:</p> <p>US DEPT. OF HUD</p>	
<p>11. Catalog of Federal Domestic Assistance Number:</p> <p>CFDA Title:</p>	
<p>* 12. Funding Opportunity Number:</p> <p>14-241</p> <p>* Title:</p> <p>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS</p>	
<p>13. Competition Identification Number:</p> <p>Title:</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <p>Add Attachment Delete Attachment View Attachment</p>	
<p>* 15. Descriptive Title of Applicant's Project:</p> <p>PROVIDES RENTAL ASSISTANCE FOR PERSONS WITH HIV/AIDS</p>	
<p>Attach supporting documents as specified in agency instructions.</p> <p>Add Attachments Delete Attachments View Attachments</p>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="1-12"/>	* b. Program/Project: <input type="text" value="1-12"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2015"/>	* b. End Date: <input type="text" value="06/30/2016"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="1,116,874.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="1,116,874.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 248, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="CHARLES"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="RICHMAN"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="COMMISSIONER"/>	
* Telephone Number: <input type="text" value="609-292-5420"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="charles.richman@dea.nj.gov"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="08/11/2015"/>

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: 08/10/2015	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entry Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: NJ DEPARTMENT OF COMMUNITY AFFAIRS		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 216090928	* c. Organizational DUNS: 8064171439000	
d. Address:		
* Street1: 101 S. BROAD STREET	Street2: <input type="text"/>	
* City: TRENTON	County/Parish: <input type="text"/>	
* State: NJ: New Jersey	Province: <input type="text"/>	
* Country: USA: UNITED STATES	* Zip / Postal Code: 08625-0051	
e. Organizational Unit:		
Department Name: NJ DCA	Division Name: HOUSING & COMMUNITY RESOURCES	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>	* First Name: SHERI	
Middle Name: <input type="text"/>	* Last Name: MALNAR	
Suffix: <input type="text"/>	Title: <input type="text"/>	
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 609-984-8453	* Fax Number: 609-292-9653	
* Email: SHERI.MALNAR@DCA.NJ.GOV		


Application for Federal Assistance SF-424	
<p>* 9. Type of Applicant 1: Select Applicant Type:</p> <p>A: State Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>* Other (specify):</p>	
<p>* 10. Name of Federal Agency:</p> <p>US DEPT. OF HUD</p>	
<p>11. Catalog of Federal Domestic Assistance Number:</p> <p>CFDA Title:</p>	
<p>* 12. Funding Opportunity Number:</p> <p>14-231</p> <p>* Title:</p> <p>EMERGENCY SOLUTIONS GRANT</p>	
<p>13. Competition Identification Number:</p> <p>Title:</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <p><input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/></p>	
<p>* 15. Descriptive Title of Applicant's Project:</p> <p>PROVIDES FUNDS FOR THE RENOVATION AND CONVERSION OF SHELTERS AND FOR HOMELESSNESS PREVENTION ASSISTANCE</p>	
<p>Attach supporting documents as specified in agency instructions.</p> <p><input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/></p>	

1

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="1-12"/>	* b. Program/Project: <input type="text" value="1-12"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2015"/>	* b. End Date: <input type="text" value="06/30/2016"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="2,682,257.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="2,682,257.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process? <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> <input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," provide explanation and attach <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001) <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="CHARLES"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="RICHMAN"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="COMMISSIONER"/>	
* Telephone Number: <input type="text" value="503-292-6420"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="chuck.richman@dca.nj.gov"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="08/11/2015"/>

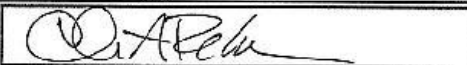
Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: 08/10/2015	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: NJ DEPARTMENT OF COMMUNITY AFFAIRS		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 216000928	* c. Organizational DUNS: B064171430000	
d. Address:		
* Street1: 101 S. BROAD STREET	Street2: <input type="text"/>	
* City: TRENTON	County/Parish: <input type="text"/>	
* State: NJ: New Jersey	Province: <input type="text"/>	
* Country: USA: UNITED STATES	* Zip / Postal Code: 08625-0051	
e. Organizational Unit:		
Department Name: NJ DCA	Division Name: HOUSING & COMMUNITY RESOURCES	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>	* First Name: SHERI	
Middle Name: <input type="text"/>	* Last Name: MALINAK	
Suffix: <input type="text"/>	Title: <input type="text"/>	
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 609-984-6453	* Fax Number: 609-292-9653	
* Email: SHERI.MALINAK@DCA.NJ.GOV		

Application for Federal Assistance SF-424	
<p>* 9. Type of Applicant 1: Select Applicant Type:</p> <input type="text" value="B: State Government"/> <p>Type of Applicant 2: Select Applicant Type:</p> <input type="text"/> <p>Type of Applicant 3: Select Applicant Type:</p> <input type="text"/> <p>* Other (specify):</p> <input type="text"/>	
<p>* 10. Name of Federal Agency:</p> <input type="text" value="US DEPT. OF HUD"/>	
<p>11. Catalog of Federal Domestic Assistance Number:</p> <input type="text"/> <p>CFDA Title:</p> <input type="text"/>	
<p>* 12. Funding Opportunity Number:</p> <input type="text" value="14-218"/> <p>* Title:</p> <input type="text" value="COMMUNITY DEVELOPMENT BLOCK GRANT"/>	
<p>13. Competition Identification Number:</p> <input type="text"/> <p>Title:</p> <input type="text"/>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <input type="text"/> <p style="text-align: right;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </p>	
<p>* 15. Descriptive Title of Applicant's Project:</p> <input type="text" value="PROVIDES FUNDS FOR ECONOMIC DEVELOPMENT, COMMUNITY REVITALIZATION AND PUBLIC FACILITY PROJECTS"/>	
<p>Attach supporting documents as specified in agency instructions.</p> <p style="text-align: right;"> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </p>	

Application for Federal Assistance SF-424	
16. Congressional Districts Ct:	
* a. Applicant: <input type="text" value="1-12"/>	* b. Program/Project: <input type="text" value="1-12"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2015"/>	* b. End Date: <input type="text" value="06/30/2016"/>
18. Estimated Funding (\$):	
* a. Federal:	<input type="text" value="6,090,333.00"/>
* b. Applicant:	<input type="text"/>
* c. State:	<input type="text"/>
* d. Local:	<input type="text"/>
* e. Other:	<input type="text"/>
* f. Program Income:	<input type="text"/>
* g. TOTAL:	<input type="text" value="6,090,333.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> .	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 213, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="CHARLES"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="REICHMAN"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="COMMISSIONER"/>	
* Telephone Number: <input type="text" value="609-292-6420"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="chuck.richman@dea.nj.gov"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="08/11/2015"/>

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		
* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision		
* If Revision, select appropriate letter(s): <input type="text"/>		
* Other (Specify): <input type="text"/>		
* 3. Date Received: 08/10/2015		* 4. Applicant Identifier: <input type="text"/>
5a. Federal Entity Identifier: <input type="text"/>		5b. Federal Award Identifier: <input type="text"/>
State Use Only:		
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>
8. APPLICANT INFORMATION:		
* a. Legal Name: NJ DEPARTMENT OF COMMUNITY AFFAIRS		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 216000923		* c. Organizational DUNS: EOE4171430000
* d. Address:		
* Street1: 101 S. BROAD STREET		
* Street2: <input type="text"/>		
* City: TRENTON		
* County/Parish: <input type="text"/>		
* State: NJ: New Jersey		
* Province: <input type="text"/>		
* Country: USA: UNITED STATES		
* Zip / Postal Code: 08625-0051		
* e. Organizational Unit:		
Department Name: NJ DCA		Division Name: HOUSING & COMMUNITY RESOURCES
* f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/>	* First Name: SHERI	
Middle Name: <input type="text"/>		
* Last Name: MALNAK		
Suffix: <input type="text"/>		
Title: <input type="text"/>		
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 609-984-6453		* Fax Number: 609-292-9653
* Email: SHERI.MALNAK@DCA.NJ.GOV		

Application for Federal Assistance SF-424			
* 9. Type of Applicant 1: Select Applicant Type:			
A: State Government: <input type="text"/>			
Type of Applicant 2: Select Applicant Type: <input type="text"/>			
Type of Applicant 3: Select Applicant Type: <input type="text"/>			
* Other (specify): <input type="text"/>			
* 10. Name of Federal Agency:			
US DEPT. OF HUD <input type="text"/>			
11. Catalog of Federal Domestic Assistance Number:			
<input type="text"/>			
CFDA Title:			
<input type="text"/>			
* 12. Funding Opportunity Number:			
14-239 <input type="text"/>			
* Title:			
HOME INVESTMENT PARTNERSHIPS PROGRAM <input type="text"/>			
13. Competition Identification Number:			
<input type="text"/>			
Title:			
<input type="text"/>			
14. Areas Affected by Project (Cities, Counties, States, etc.):			
<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
* 15. Descriptive Title of Applicant's Project:			
PROVIDES FUNDS FOR TBRA ASSISTANCE AND CONSTRUCTION AND REHABILITATION OF AFFORDABLE UNITS <input type="text"/>			
Attach supporting documents as specified in agency instructions.			
<input type="button" value="Add Attachments"/>	<input type="button" value="Delete Attachments"/>	<input type="button" value="View Attachments"/>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="1-12"/>	* b. Program/Project: <input type="text" value="1-12"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2015"/>	* b. End Date: <input type="text" value="06/30/2016"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="3,302,794.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="3,302,794.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input type="checkbox"/> c. Program is not covered by E.O. 12372.	
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<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="CHARLES"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="RICHMAN"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="COMMISSIONER"/>	
* Telephone Number: <input type="text" value="609-293-6420"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="chuck.richman@dca.nj.gov"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="08/11/2015"/>

Appendix - Alternate/Local Data Sources

1	Data Source Name Demographic Data
	List the name of the organization or individual who originated the data set. US Census
	Provide a brief summary of the data set. Statistical survey
	What was the purpose for developing this data set? The data was used to conduct a needs assessment.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2013 ACS
	Briefly describe the methodology for the data collection. Annual survey
	Describe the total population from which the sample was taken. Sample of approximately 3.5 million housing unit addresses
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. 3.5 million households
2	Data Source Name HMIS Data on Homelessness
	List the name of the organization or individual who originated the data set. NJ Housing and Mortgage Finance Agency and Foothold Technology
	Provide a brief summary of the data set. Admissions data from 2015
	What was the purpose for developing this data set? Current data
	Provide the year (and optionally month, or month and day) for when the data was collected. 04/01/14 - 03/31/15
	Briefly describe the methodology for the data collection. Households assisted with homeless programs funds are entered into the HMIS data base.

	<p>Describe the total population from which the sample was taken.</p> <p>Homeless admissions to emergency shelters and transitional housing facilities (between April 1, 2014 and March 31, 2015). The total number of households was 20,171</p> <p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>Household with Adults and Children, Households with Only Adults, Households with Only Children, Unknown Household Type</p>
3	<p>Data Source Name</p> <p>2015 Point In Time Survey</p> <p>List the name of the organization or individual who originated the data set.</p> <p>The 2015 Count reveals important demographic and other information about families</p> <p>The survey was carried out with the help of government agencies, community-based organizations, and local volunteers.</p> <p>Provide a brief summary of the data set.</p> <p><p align="LEFT">The Point in Time Count (PIT) is a snapshot of the number of homeless residing in the State.</p><p align="LEFT"></p></p> <p>What was the purpose for developing this data set?</p> <p>The data provides a snapshot of homeless households, identifies where they find shelter and what factors contribute to making them homeless.</p> <p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>January and February 2015</p> <p>Briefly describe the methodology for the data collection.</p> <p>Statistically reliable and unduplicated count of the homeless over the course of two days.</p> <p>Describe the total population from which the sample was taken.</p> <p><p align="LEFT">7,441 households, including 10,211 persons</p></p>

	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>On the nights of the 2015 Point in Time Count a total of 7,441 households, including 10,211 persons, were experiencing homelessness in New Jersey</p>
4	<p>Data Source Name</p> <p>Department of Health Statistics</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>NJ Department of Health</p>
	<p>Provide a brief summary of the data set.</p> <p>Information collected by the Department of Health on incidence of HIV/AIDS</p>
	<p>What was the purpose for developing this data set?</p> <p>To track the incidence of HIV/AIDs</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2014</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Reported cases of New Jersey residents living with HIV/AIDS (As of December 31, 2014)</p>
	<p>Describe the total population from which the sample was taken.</p> <p>State of New Jersey</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>38,075 households</p>
5	<p>Data Source Name</p> <p>2013 American Community Survey</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>Statistical survey by the US Census Bureau</p>
	<p>Provide a brief summary of the data set.</p> <p>The survey gathers information such as ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics</p>

	<p>What was the purpose for developing this data set?</p> <p>The data was necessary to complete a needs assessment</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2013</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Annual survey</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Sample of approximately 3.5 million housing unit addresses</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>3.5 million households</p>
6	<p>Data Source Name</p> <p>2008-2012 CHAS</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>US Department of HUD</p>
	<p>Provide a brief summary of the data set.</p> <p>Data is based on the 2008-2012 American Community Survey. The data is used to identify housing problems and housing needs, particularly for low income households.</p>
	<p>What was the purpose for developing this data set?</p> <p>To identify housing problems and housing needs, particularly for low income households.</p>
	<p>Provide the year (and optionally month, or month and day) for when the data was collected.</p> <p>2008-2012</p>
	<p>Briefly describe the methodology for the data collection.</p> <p>Survey conducted by the US Census</p>
	<p>Describe the total population from which the sample was taken.</p> <p>Sample of approximately 3.5 million housing unit addresses</p>
	<p>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</p> <p>3.5 million households</p>