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 59 NON-SUBSTANTIAL AMENDMENT

 Transferring funds for administrative purposes and to the Reconstruction, Rehabilitation, Elevation, & Mitigation (RREM) Program

DATE SUBMITTED TO HUD: January 24, 2025
DATE APPROVED BY HUD: January 31, 2025

Philip D. Murphy Governor

Tahesha L. Way Lieutenant Governor Jacquelyn A. Suárez

Commissioner





SECTION 1: OVERVIEW

New Jersey (State) received approval from the U.S. Department of Housing and Urban Development (HUD) for the State's Community Development Block Grant – Disaster Recovery (CDBG-DR) Action Plan on April 29, 2013. The Action Plan described the State's allocation of \$1,829,520,000 of first-round CDBG-DR funds allocated by HUD to support New Jersey recovery efforts. As a grantee, the New Jersey Department of Community Affairs (DCA) was chosen to administer the CDBG-DR grant. Since that time, HUD has approved 58 amendments. Included in those amendments was Substantial Amendment 7, which detailed the allocation of \$1,463,000,000 of second-round CDBG-DR funds across the recovery programs, and Substantial Amendment 11, which described the allocation of \$501,909,000 of the third (and final) round of CDBG-DR funds intended to address unmet recovery needs.

This **Action Plan Amendment 59 (APA 59)** is considered a non-substantial amendment according to the definition stipulated in the March 5, 2013, HUD <u>Federal Register Notice 5696-N-01</u> and in accordance with the State's citizen participation plan because it does not change a program benefit or eligibility criteria; add or delete an allowable activity described in the approved application; or reallocate more than \$10 million or propose a reduction in the overall benefit requirement.

SECTION 2: FUNDING TRANSFERS

Through this Amendment, the State proposes to reallocate funds between programs.

The first transfer will reallocate \$53,334.24 from the Housing Resettlement Program to the Reconstruction, Rehabilitation, Elevation, & Mitigation (RREM) program. The Housing Resettlement Program provided funding for various non-construction storm-related expenses. The Program was targeted to alleviate storm-related financial pressures and encourage those who were able to resettle and reoccupy the homes they owned prior to Superstorm Sandy. The Program has since ended but continues to receive repayment from program participants that didn't fulfill program requirements. Since there are no new expenditures for the program, funds will be transferred into the RREM program which is still an active program. Table 1 below illustrates this transfer.

Table 1: Transfer of Funds to the Reconstruction, Rehabilitation, Elevation, & Mitigation (RREM) Program					
Program	Activity Previous Allocation as of APA 53	Amount of Transfer	Activity Revised Allocation		
Reconstruction, Rehabilitation, Elevation, & Mitigation (RREM) Program	\$1,336,670,600	\$53,334	\$1,336,723,934		
Housing Resettlement Program	\$202,806,667	(\$53,334)	\$202,753,332.		

The second transfer will reallocate \$1,189,893 to allow for the continued general management, oversight and coordination in disbursing CDBG-DR funding for recovery programs. Section VI(10)(b) of Federal Register (FR) Notice 5696-N-O1 provides that the aggregate total of funding spent on Program Administration Costs must not exceed five percent of the aggregate CDBG-DR funding awarded to a Grantee plus program income. In reallocating \$1,189,893 from the New Jersey Energy Resilience

Bank, the State remains compliant with the five percent cap HUD has placed on Program Administration Costs. The funds come from a surplus in the New Jersey Energy Resilience Bank. The reallocations will not affect the ability of the program to meet their objectives. Table 2 below illustrates this transfer.

Table 2: Transfer of Funds to Administration					
Program	Activity Previous Allocation as of APA 53 Plus Program Income	Amount of Transfer	Activity Revised Allocation		
Administration-DCA	\$204,905,538	\$1,189,893	\$206,095,431		
New Jersey Energy Resilience Bank	\$213,658,990	(\$1,189,893)	\$212,469,097		