

**Proposed Amendment Notice No. 1
To State of New Jersey Action Plan for the Utilization of
CDBG-DR Funds in Response to *Hurricane Irene***

Original Action Plan Approved by HUD September 28, 2012

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner

**Community Development Block Grant – Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)
Appropriations Act, 2012 (P.L. 112-55, approved November 18, 2011)**



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Public Comment: April 30, 2013, 5:00 p.m. (EST) to May 7, 2013 at 5:00 p.m. (EST)
Submitted to HUD:
Approved by HUD:

State of New Jersey Community Development Block Grant Disaster Recovery Program Action Plan in Response to Hurricane Irene

Amendment No. 1

The State of New Jersey is proposing this Amendment the Community Development Block Grant Disaster Recovery (CDBG-DR) Program Action Plan to assist municipalities and residents affected by Hurricane Irene. The original Plan was approved by HUD on September 28, 2012.

The request for an Amendment is as a result of new information provided by proposals for funding to the State detailing the unmet needs of municipalities impacted by Hurricane Irene. Accordingly, the State proposes to reallocate funds amongst previously approved categories, eliminate the state-wide Economic Revitalization funding category and provide funding in three new categories. Specifically, the Amendment reallocates the Economic Revitalization funds (\$463,716) to Public Services (\$256,088), Relocation (\$94,617), Clearance (\$34,807), and Public Facilities (\$78,204) following the requirements of the Federal Register Notice (Docket No. FR-5628-N-01) dated April 16, 2012.

The funding awarded to Passaic County (80%) and the funding to be allocated state-wide (20%) has not changed. However, the budget within the 20% allocation grant categories has been modified based on the applications approved for funding.

Summary of Amendment:

In October of 2012 New Jersey received an allocation of \$15,598,506 in CDBG-DR funds for the purpose of assisting the communities most impacted and distressed by Hurricane Irene. The 2013 NJ Community Block Grant Disaster Recovery Program Action Plan identified Passaic County as the eligible entity and recipient of 80% of the CDBG-DR Funds. The remaining 20% was available, through a competitive application process for recovery efforts state-wide. This grant provided a 5% administrative fee, leaving the remaining funds of \$14,818,581 available for program activities. Based on this available funding, DCA prepared a budget and provided notice of same in the CDBG-DR Action Plan of July 23, 2012. (See Table 1.)

Based on HUD's information obtained from several community forums held in Passaic County, and a survey to assess unmet needs, the NJ CDBG-DR Action Plan determined its Passaic County (80%) allocation for projects identified by

nine municipalities that were impacted by the storm. In total, nine municipalities submitted eleven projects for funding to the New Jersey Department of Community Affairs (NJDCA) under one application.

The 20% of CDBG-DR funds allocated for state-wide distribution were awarded through a competitive process. NJDCA conducted a technical assistance workshop on January 8, 2013 to inform the applicants of the rules, regulations, and procedures required by CDBG-DR for the state-wide allocation of funds. Twelve applications were submitted on or before February 28, 2013 with eight of these applications recommended for awards totaling \$2,963,716. The eight (8) state-wide awards will fund nine (9) projects, including two (2) bulkhead repair projects, a bridge replacement, repairs to a municipal/police station building, the restoration of a County ARC facility, rehabilitation of public housing authority apartments and two (2) buyout projects to create public open space.

Based on the applications received in both the 80% and 20% funding areas (Passaic County and state-wide), Table 1 reflects the original and amended NJ CDBG-DR budget allocations.

Table 1. Comparison of Categories in Original Action Plan Compared to the Amended Action Plan								
Planned Distribution in CDBG-DR Action Plan of July 23, 2012				Revised CDBG-DR Action Plan as Amended April 30, 2013				
Category	Passaic County (80%)	Competitive Statewide (20%)	Total Funding	Category	Passaic County (80%)	Competitive Statewide (20%)	Total Funding	Estimated LMI Benefit
Housing Rehabilitation	\$233,271	\$500,000	\$733,271	Housing Rehabilitation	\$286,465	\$65,000	\$351,465	Passaic Co. 0% Statewide 100%
Home Buyouts	\$9,304,311	\$1,500,000	\$10,804,311	Home Buyouts	\$9,283,400	\$563,786	\$9,847,186	57%
Public Facilities	\$2,317,283	\$500,000	\$2,817,283	Public Facilities	\$2,285,000	\$1,949,418	\$4,234,418	58%
Economic Revitalization	\$0	\$463,716	\$463,716	Economic Revitalization	Category is not part of the amended Action Plan			N/A
Public Services	Category was not part of the original Action Plan			Public Services	\$0	\$256,088	\$256,088	100%
Relocation	Category was not part of the original Action Plan			Relocation	\$0	\$94,617	\$94,617	100%
Clearance	Category was not part of the original Action Plan			Clearance	\$0	\$34,807	\$34,807	100%
Subtotals	\$11,854,865	\$2,963,716	\$14,818,581	Subtotals	\$11,854,865	\$2,963,716	\$14,818,581	
Administration Fee	\$623,940	\$155,985	\$779,925	Administration Fee	\$623,940	\$155,985	\$779,925	N/A
TOTALS	\$12,478,805	\$3,119,701	\$15,598,506	TOTALS	\$12,478,805	\$3,119,701	\$15,598,506	58%

The need for an Amendment is the result of eliminating the state-wide Economic Revitalization Grant Activity category, as NJDCA did not receive applications for funding for Economic Revitalization assistance. Funding applications also require reallocations amongst previously approved categories. NJDCA requests to reallocate the funds from this category (total of \$463,716) to new categories: Public Services (\$256,088), Relocation (\$94,617), Clearance (\$34,807), and to

Public Facilities (\$78,204) following the requirements of the Federal Register Notice (Docket No. FR-5628-N-01) dated April 16, 2012, and the NJ CDBG-DR Action Plan.

The reallocation of funds in the three new categories will provide one applicant, Union County, with the funding necessary to restore the ARC of Union County and its public facilities and public services, and will support relocation and clearance activities. The activities listed below are identified in Union County's application (in conjunction with the ARC of Union) to address unmet needs for:

- debris removal and reconstruction
- relocation expenses to assist the ARC in moving back into the facility
- building contents loss
- client documentation restoration and cleaning
- mold remediation

The public service, relocation and clearance categories include permitted activities such as loss of building contents such as (computers, equipment and furniture), and restoration and cleaning of the client documents necessary to assist the ARC in delivering critical services and supports to the special needs population and their immediate family members. The relocation and debris clearance costs will enable the ARC of Union County to move back into their facility, where they can continue to provide direct assistance to more than 512 disabled clients. The total award granted to the ARC of Union County is \$413,735. This is the amount of their unmet need after receiving assistance from FEMA, National Flood Insurance and other insurance coverage.

Summary of Citizen Participation Process:

This Amendment was posted on the NJ DCA's Division of Housing and Community Resources' CDBG website under CDBG-DR (<http://www.nj.gov/dca/divisions/dhcr/offices/cdbg.html>) on April 30, 2013. This posting will remain on the CDBG website throughout the life of the program as CDBG-DR Amendment Notice No. 1. The opportunity for public comment on these budget revisions is provided until May 7, 2013. Any comments should be forwarded to the NJ DCA's Division of Housing and Community Resources' Administrator of the Neighborhood Program Unit, Terence Schrider, at Terence.Schrider@dca.state.nj.us .

The New Jersey Community Development Block Grant Disaster Recovery Program Action Plan may be located at:
http://www.nj.gov/dca/divisions/dhcr/rfp/pdf/cdbg_dr_plan_rfp_gl.pdf