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: ____________________________________________________________________
DATE SUBMITTED TO HUD: ____________________________________________________________________
DATE APPROVED BY HUD: ____________________________________________________________________

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner
This Substantial Amendment to the Action Plan (as proposed) will be available for public review at [www.state.nj.us/dca/](http://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 will consider comments received in writing or via email on the proposed Substantial Amendment to the Action Plan. Comments on the proposed Plan will be accepted through January 15, 2014 at 5 p.m., Eastern Standard Time. Written comments can be 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 will be included in the 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 will hold 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)

Once the comment period closes, the State will synthesize and respond to the comments it received in the final version of this Action Plan Amendment to be 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 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.

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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.

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 residents in manufactured housing. 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, benefiting 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.
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 (HFMA) 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

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Public Housing Authority</th>
<th>Amount Obligated</th>
<th>Scope of Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keyport Leisure Bay Apartments</td>
<td>Federally Funded Housing</td>
<td>$6,000,000</td>
<td>Sewer Line repairs; HVAC; electrical distribution system</td>
</tr>
<tr>
<td>Thomas J. Stewart Apartments</td>
<td>Jersey City Housing Authority³</td>
<td>$1,000,000</td>
<td>Roof Replacement; generator</td>
</tr>
<tr>
<td>Booker T. Washington Apartments</td>
<td>Jersey City Housing Authority³</td>
<td>$6,000,000</td>
<td>Roof repairs; decentralized boilers; new electrical panels</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$13,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Table 2-4: Public Housing Authorities – Applications Under Review

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Public Housing Authority</th>
<th>Amount Requested</th>
<th>Scope of Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Booker T. Washington Apartments</td>
<td>Jersey City Housing Authority</td>
<td>$2,500,000</td>
<td>Remove underground pipes; new electrical feed</td>
</tr>
<tr>
<td>Marion Gardens</td>
<td>Jersey City Housing Authority</td>
<td>$5,435,000</td>
<td>Roofing; decentralized heating; new electrical panels</td>
</tr>
<tr>
<td>Berry Gardens</td>
<td>Jersey City Housing Authority</td>
<td>$5,525,000</td>
<td>Replace Curtain Wall</td>
</tr>
<tr>
<td>Hoboken Housing Authority</td>
<td>Hoboken Housing Authority</td>
<td>$10,159,438</td>
<td>Elevators; plumbing; roofs; flood barriers; grounds; curbs</td>
</tr>
<tr>
<td>Pecks Beach Village</td>
<td>Ocean City Housing Authority</td>
<td>$7,200,000</td>
<td>Building Elevation</td>
</tr>
<tr>
<td>Edward J. Dolan Homes</td>
<td>Carteret Housing Authority</td>
<td>$8,497,021</td>
<td>New Construction</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$39,316,459</strong></td>
<td></td>
</tr>
</tbody>
</table>
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.
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

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Amount</th>
<th>Total Estimated LMI Amount</th>
<th>Program</th>
<th>Allocation Level</th>
<th>LMI Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner Assistance Programs</td>
<td>$225,000,000</td>
<td>$0</td>
<td>Reconstruction, Rehabilitation, Elevation &amp; Mitigation</td>
<td>$225,000,000</td>
<td>0%</td>
</tr>
<tr>
<td>Rental Housing and Renter Programs</td>
<td>$240,000,000</td>
<td>$233,250,000</td>
<td>Fund for Restoration of Multi-Family Housing</td>
<td>$215,000,000</td>
<td>97%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sandy Special Needs Housing Fund</td>
<td>$10,000,000</td>
<td>97%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tenant-Based Rental Assistance</td>
<td>$15,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$465,000,000</td>
<td>$233,250,000</td>
<td>TOTAL FUNDED PROGRAMS</td>
<td>$465,000,000</td>
<td>50%</td>
</tr>
<tr>
<td>Planning, Oversight, and Monitoring</td>
<td>$36,909,000</td>
<td>N/A</td>
<td>Administration</td>
<td>$36,909,000</td>
<td>N/A</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$501,909,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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. 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 $225,000,000 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:** $225,000,000

**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:** 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.

**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.

**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. 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:** $36,909,000

**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 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-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>
<thead>
<tr>
<th>Program Category</th>
<th>Total Funding</th>
<th>Estimated Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner Housing</td>
<td>$225,000,000</td>
<td>2000 Homeowners Assisted</td>
</tr>
<tr>
<td>Rental Housing</td>
<td>$240,000,000</td>
<td>4000 Rental Units Assisted</td>
</tr>
<tr>
<td>Total</td>
<td>$465,000,000</td>
<td></td>
</tr>
</tbody>
</table>
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 will hold public hearings after making this Substantial Amendment available for public comment. The State will hold 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 can be 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 will comply 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 will make 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 State has 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 will be 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 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).

- 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 will consider 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 will hold 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/](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 will be made available for public comment for a period of at least thirty (30) days. All comments must be submitted by 5 pm Eastern Standard Time on January 15, 2014. Written comments can be 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 will solicit public comments at the public hearings.

The State will review the public comments provided during the comment period. All comments will receive equivalent treatment regardless of whether they are submitted by email, U.S. mail, or at a public hearing.

Per HUD guidelines, the State will synthesize the comments it receives and provide written responses.
APPENDIX A: ALLOCATION OF FIRST, SECOND AND THIRD TRANCHE CDBG-DR FUNDS BY PROGRAM*

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Amount</th>
<th>Program</th>
<th>Allocation Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Homeowner Assistance Programs</strong></td>
<td>$1,680,000,000</td>
<td>Reconstruction, Rehabilitation, Elevation &amp; Mitigation</td>
<td>$1,325,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LMI Homeowners Rebuilding Program</td>
<td>$40,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Blue Acres Buyout Program</td>
<td>$100,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Housing Resettlement Program</td>
<td>$215,000,000</td>
</tr>
<tr>
<td><strong>Rental Housing and Renter Programs</strong></td>
<td>$624,520,000</td>
<td>Fund for Restoration of Multi-Family Housing</td>
<td>$594,520,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Landlord Rental Repair Program (Small Rental)</td>
<td>$70,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pre-Development Fund</td>
<td>$10,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Neighborhood Enhancement Program (Blight Reduction Pilot Program)</td>
<td>$50,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Incentives for Landlords</td>
<td>$23,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sandy Homebuyer Assistance Program</td>
<td>$25,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sandy Special Needs Housing Fund</td>
<td>$60,000,000</td>
</tr>
<tr>
<td><strong>Economic Development</strong></td>
<td>$305,000,000</td>
<td>Grants/Forgivable Loans to Business</td>
<td>$100,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Direct Loans for Small Business</td>
<td>$100,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Neighborhood &amp; Community Revitalization</td>
<td>$75,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tourism Marketing Campaign</td>
<td>$30,000,000</td>
</tr>
<tr>
<td><strong>Infrastructure Programs</strong></td>
<td>$550,000,000</td>
<td>New Jersey Energy Resilience Bank</td>
<td>$200,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Flood Hazard Risk Reduction Program</td>
<td>$100,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non Federal Cost Share (Match)</td>
<td>$250,000,000</td>
</tr>
<tr>
<td><strong>Support for Government Entities</strong></td>
<td>$181,000,000</td>
<td>Unsafe Structures Demolition Program</td>
<td>$25,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Essential Services Program</td>
<td>$145,000,000</td>
</tr>
<tr>
<td><strong>Supportive Services</strong></td>
<td>$10,000,000</td>
<td>Supportive Services Program</td>
<td>$42,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$3,590,520,000</td>
<td>TOTAL FUNDED PROGRAMS</td>
<td>$3,590,520,000</td>
</tr>
<tr>
<td>Planning and Administration</td>
<td>$202,000,000</td>
<td>Planning Grants</td>
<td>$15,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Administration</td>
<td>$187,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$3,792,520,000</td>
<td></td>
<td>$3,792,520,000</td>
</tr>
</tbody>
</table>

* Excludes $380 million in third round CDBG-DR funds allocated to Rebuild by Design projects
# APPENDIX B: PERCENTAGE OF AGGREGATE CDBG-DR FUNDS RECEIVED TARGETED TO MOST-ImpACTED COUNTRIES*

<table>
<thead>
<tr>
<th>Category</th>
<th>Program</th>
<th>Allocation Level</th>
<th>Portion of Allocation Benefiting Most-Impacted and Distressed Counties</th>
<th>Estimated Percentage to Benefit Most-Impacted and Distressed Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Homeowner Assistance Programs</strong></td>
<td>Reconstruction, Rehabilitation, Elevation &amp; Mitigation</td>
<td>$1,325,000,000</td>
<td>$1,325,000,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>LMI Homeowners Rebuilding Program</td>
<td>$40,000,000</td>
<td>$40,000,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Blue Acres Buyout Program</td>
<td>$100,000,000</td>
<td>$85,000,000</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Housing Resettlement Program</td>
<td>$215,000,000</td>
<td>$215,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Rental Housing and Renter Programs</strong></td>
<td>Fund for Restoration of Multi-Family Housing</td>
<td>$594,520,000</td>
<td>$416,164,000</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Landlord Rental Repair Program (Small Rental)</td>
<td>$70,000,000</td>
<td>$49,000,000</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Pre-Development Fund</td>
<td>$10,000,000</td>
<td>$8,000,000</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Neighborhood Enhancement Program (Blight Reduction Pilot Program)</td>
<td>$50,000,000</td>
<td>$40,000,000</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Incentives for Landlords</td>
<td>$23,000,000</td>
<td>$17,250,000</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Sandy Homebuyer Assistance</td>
<td>$25,000,000</td>
<td>$24,500,000</td>
<td>98%</td>
</tr>
<tr>
<td></td>
<td>Sandy Special Needs Housing Fund</td>
<td>$60,000,000</td>
<td>$45,000,000</td>
<td>75%</td>
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<tr>
<td><strong>Economic Development</strong></td>
<td>Grants/Forgivable Loans to Business</td>
<td>$100,000,000</td>
<td>$75,000,000</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Direct Loans to Small Business</td>
<td>$100,000,000</td>
<td>$75,000,000</td>
<td>75%</td>
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<tr>
<td></td>
<td>Neighborhood &amp; Community Revitalization Program</td>
<td>$75,000,000</td>
<td>$56,250,000</td>
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<tr>
<td></td>
<td>Tourism Marketing Campaign</td>
<td>$30,000,000</td>
<td>$22,500,000</td>
<td>75%</td>
</tr>
<tr>
<td><strong>Infrastructure Programs</strong></td>
<td>New Jersey Energy Resilience Bank</td>
<td>$200,000,000</td>
<td>$100,000,000</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>Flood Hazard Risk Reduction Program</td>
<td>$100,000,000</td>
<td>$80,000,000</td>
<td>80%</td>
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<td>Non Federal Cost Share (Match)</td>
<td>$250,000,000</td>
<td>$125,000,000</td>
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<td><strong>Support for Government Entities</strong></td>
<td>Unsafe Structures Demolition Program</td>
<td>$25,000,000</td>
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<td>Essential Services Program</td>
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<td>Zoning/Code Enforcement</td>
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<td><strong>Supportive Services</strong></td>
<td>Supportive Services</td>
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<td>$37,800,000</td>
<td>90%</td>
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<td><strong>TOTAL</strong></td>
<td>TOTAL FUNDED PROGRAMS</td>
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<td>$3,012,614,000</td>
<td>84%</td>
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<td>Planning and Administration</td>
<td>Planning Grants</td>
<td>$15,000,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>Administration</td>
<td>$189,000,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$3,792,520,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excludes $380 million in third round CDBG-DR funds allocated to Rebuild by Design projects