

New Jersey
Department of Community Affairs

Community Development Block Grant – Disaster Recovery
(Hurricane Irene)

Action Plan Substantial Amendment
For Hurricane Irene

Substantial Amendment Notice #2
December 5, 2014

State of New Jersey Substantial Amendment to the
SFY2013 Community Development Block Grant Disaster
Recovery Program Action Plan (Hurricane Irene)

The Department of Community Affairs is proposing a substantial amendment to the State of New Jersey Community Development Block Grant - Disaster Recovery, CDBG-DR (Hurricane Irene) Program Action Plan for SFY2013. The amendment addresses budget changes to the Passaic County and Statewide categories.

Summary of Substantial Amendment:

On November 18, 2011, Congress made available \$400 million in CDBG funds for disaster recovery to address damages caused by Hurricane Irene. From that allocation, The U.S. Department of Housing and Urban Development (HUD) in turn awarded New Jersey \$15,598,506 for the purpose of assisting the communities most impacted and distressed by Hurricane Irene. The 2013 NJ CDBG-DR (Irene) Action Plan identified Passaic County as the recipient of 80% (\$11,854,865) of the funds. The 20% balance (\$2,963,716) was available for statewide projects. Based on this, DCA prepared and submitted an estimated spending plan and the CDBG-DR Action Plan on July 23, 2012 to the HUD, which was approved on September 28, 2012.

Based on HUD's unmet needs and information obtained from several community forums held in Passaic County, the NJ CDBG-DR Action Plan based its Passaic County (80%) allocation/budget on projects identified by nine municipalities that were impacted by the storm. In all, eleven projects were formally submitted to NJDCA under one application.

Applications for grants from the Statewide funding category were received through a competitive process. In all, 12 applications were submitted to NJDCA

on or before February 28, 2013. The process resulted in funding of eight (8) of these applications.

The need for this Substantial Amendment (#2) is the result of adding Resettlement Incentives (\$600,000) and Demolition (\$100,000) activities as part of the existing Home Buyouts in the Passaic County and Statewide Funding Categories. These changes were necessary to address low participation in the Home Buyouts due to a decrease in real estate values starting in 2008 and to address abandoned and deteriorating housing structures damaged by Hurricane Irene. Existing funds from the Home Buyouts and funds returned to the CDBG-DR Program (Irene) were shifted to these new activities. The new proposed activities necessitates a Substantial Amendment, per the April 16, 2012 Federal Register Notice (Docket No. FR-5628-N-01) requirements.

The amount to be awarded to Passaic County (80%) and the amount to be allocated statewide (20%) have not changed, but the budget within the remaining grant categories has been modified based on the needs of the subgrantees and subrecipients, which supports efforts to complete program objectives. Please refer to the Distribution of Allocation Table on the following page.

Distribution of Allocation Table (Revised on December 5, 2014)

Grant Activities	National Objective	Passaic County 80%	Competitive Statewide 20%	Percent of Total Funding	Total Funding
Housing Rehabilitation (total reduced from \$351,465)	LM/UR	\$7,012	\$65,000	0.5%	\$72,012
Home Buyouts & FEMA Match (total reduced from \$9,847,186)	LM/UR	\$8,436,853	\$575,106	57.8%	\$9,011,959
Resettlement Incentives (added)	LM/UR	\$570,000	\$30,000	3.8%	\$600,000
Demolition (added)	LM/UR	\$100,000	\$0	0.6%	\$100,000
Infrastructure Improvements (total reduced from \$4,234,418)	LM/UR	\$2,285,000	\$1,884,263	26.7%	\$4,169,263
Economic Revitalization (no requests and no change)	LM	\$0	\$0	0%	\$0
Public Services (no change)	LM	\$0	\$256,088	1.6%	\$256,088
Relocation (total increased from \$94,617)	LM	\$456,000	\$103,017	3.6%	\$559,017
Clearance (no change)	LM	\$0	\$34,807	0.2%	\$34,807
To be Reallocated (funds returned)	UR	\$0	\$15,435	0.1%	\$15,435
Subtotals		\$11,854,865	\$2,963,716	95%	\$14,818,581
State Administration		\$623,940	\$155,985	5%	\$779,925
Totals		\$12,478,805	\$3,119,701	100%	\$15,598,506

Summary of Citizen Participation Process:

Substantial amendment #2 was posted on the NJ DCA's Division of Housing and Community Resources' CDBG website under CDBG-Disaster Recovery (<http://www.nj.gov/dca/divisions/dhcr/offices/cdbg.html>) on December 5, 2014. This posting will remain on the CDBG website throughout the life of the program as CDBG-DR Substantial Amendment Notice #2. The opportunity for public comment on these budget revisions is provided until December 12, 2014. Any comments should be forwarded to the NJ DCA's Division of Housing and Community Resources' Administrator of the Neighborhood Program Unit, Terence Schrider, at Terence.Schrider@dca.state.nj.us.

The New Jersey Community Development Block Grant Disaster Recovery Program Action Plan for SFYR 2013 may be located through http://www.nj.gov/dca/divisions/dhcr/rfp/pdf/cdbg_dr_plan_rfp_gl.pdf