

## **Introduction:**

This analysis describes the decision-making process performed for the proposed rehabilitation of the Black Dog Café Deli located at 2205 South Bay Avenue (SBL618121) in Beach Haven Borough, Ocean County (see Exhibit 1) to comply with Executive Order 11988, Floodplain Management as required by HUD Regulations at 24 CFR Part 55.

The purpose of this project is to reconstruct, renovate, and restore the Black Dog Café Deli to its original pre-storm condition. The existing building is a two-story, wood frame structure on a concrete floor. The lot is 60' x 100' with the deli being approximately 600 square feet in size. There are currently ten parking spaces on the side of the business. Renovation activities will include:

- a) Removing and replacing roof.
- b) Replacing windows with energy efficient units.
- c) Replacing front and back doors.
- d) Renovation of bathroom for public use, including replacement of door, toilet, sink and fixtures.
- e) Installation of new three-bay sink kitchen sink and hand sink.
- f) Purchase of furnishings such as: tables, chairs, awning, sign, fixtures, counters, cabinets, ceiling fans, air conditioning unit.
- g) Renovation of exterior signs and replacement of landscaping, picnic tables with market umbrellas, and seating for outdoor dining.
- h) Removal of all interior dry wall, insulation, mold, bathrooms, and restaurant equipment.
- i) Replacement of electric and gas lines.

The proposed rehabilitation of this existing restaurant is critical in re-establishing local businesses that were impacted by Superstorm Sandy. Superstorm Sandy damaged approximately 195 businesses in Beach Haven Borough<sup>1</sup>. The Stronger NJ Business Loan (SBL) Program addresses the post-Sandy recovery need to repair and restore businesses and make properties more resilient against future flooding.

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<sup>1</sup> New Jersey Spotlight, March 15, 2013. Interactive Map: Assessing Damage from Superstorm Sandy, source data provided by NJ DCA.  
<http://www.njspottlight.com/stories/13/03/14/assessing-damage-from-superstorm-sandy/>

## Process Applicability:

The HUD floodplain management decision-making process at 24 CFR Part 55.20 contains eight steps, including public notice and an examination of practicable alternatives. However, the proposed action meets all of the criteria at 24 CFR 55.12(a), so a 5-step floodplain analysis is applicable (i.e. Steps 2, 3 and 7 are not required):

**1. Funding is for an existing building or structure:** The proposed project involves the rehabilitation of an existing commercial restaurant with no change in footprint or use.

**2. Community is part of NFIP and in good standing:** The proposed project is located in Beach Haven Borough, NJ, which is a member of the National Flood Insurance Program (NFIP) and in good standing.

**3. Action does not meet the threshold for ‘substantial improvement’ – (a). HUD funding <50% of pre-storm value, OR (b). < 20% increase in average peak number of customers or employees (for residential, it’s the number of dwelling units)**

The proposed HUD funding for repair, reconstruction, modernization or improvement of the structure equals \$129,367.00 against the actual assessed property value of \$564,600.00. Proposed funding is less than 50% of pre-storm property value. The structural square feet of the business would not be enlarged and therefore customer capacity or the number of employees would not be increased.

**4. Footprint and paved areas are not significantly increased (>10%):** The footprint of the structure will not be changed as part of this project.

**5. For residential, add: cannot convert a non-residential structure to a residential structure:** The existing structure is a non-residential, commercial restaurant; no use conversion proposed.

## Analysis:

### Step 1: Determine whether the action is located in a 100-year floodplain (or a 500-year floodplain for critical actions).

The proposed project is rehabilitation of the Black Dog Café Deli located at 2205 South Bay Avenue (SBL618121) in Beach Haven Borough, Ocean County. Project activities will include purchase of new furnishings (indoor/outdoor seating, signs, cabinets, counter tops, fans and HVAC equipment) and exterior (roof, windows, entryways, sign placement, and landscaping) and interior (bathroom, kitchen, drywall, electric and gas lines) renovation work as noted above. No structural changes to the existing building are proposed.

The proposed project is located in an “AE” Zone (area of special flood hazard) as indicated on the FEMA Preliminary Flood Insurance Rate Maps (FIRM) Number 34029C0592G and 34029C0611G for Ocean County, effective January 30, 2015 (see Exhibit 2). Areas designated as a Special Flood Hazard Area are those subject to inundation by the 1% annual chance flood (e.g., a 100-year flood), also known as the base flood. The entire parcel encompassing 0.13 acres (6,000 square feet) is located within the AE

zone. The base flood elevation (BFE) associated with the project site is 8.0 feet above sea level (NAVD88).

**Step 2: Notify the public for early review of the proposal and involve the affected and interested public in the decision making process.**

Not Applicable

**Step 3: Identify and evaluate practicable alternatives.**

Not Applicable

**Step 4: Identify Potential Direct and Indirect Impacts Associated with Floodplain Development**

Rehabilitation of the existing restaurant building within the floodplain represents no change from pre-Sandy conditions and would not increase floodplain occupancy. No increase in building footprint, impervious surface coverage, or floodplain development would occur. Furthermore, rehabilitating an existing structure, versus new construction, would help maintain conditions prior to Superstorm Sandy and would not increase base flood elevations.

Superstorm Sandy had a widespread and lasting impact on New Jersey's business sector and particularly affected small businesses. The storm caused substantial damage to commercial property and caused short- and long-term business operations losses. Loans available through the Stronger NJ program are intended to assist businesses that suffered physical damage as a result of Superstorm Sandy as well as spur economic revitalization by providing funding for expansion, and business relocation into storm-impacted areas.

Statewide, tourism accounts for approximately 10% of total employment and almost 7% of the state's economic output. Tourism is the major component of the local economy. In Ocean County, direct tourism sales were \$4.3 million in 2014. Employment in the tourism industry (including direct and indirect/induced employment) in Ocean County was 36,584—accounting for an estimated 15.2% of total county employment. State and local tax receipts attributed to tourism were \$434.5 million for Ocean County in 2014, accounting for an estimated 9.4% of total state tourism income (New Jersey Division of Travel and Tourism, *The Economic Impact of Tourism in New Jersey, 2014*, Prepared by Tourism Economics, Inc).

In Beach Haven Borough, approximately 67.9% of employment in the borough is comprised of jobs in three tourism-related industry sectors—the Arts, Entertainment & Recreation sector (73 jobs, 14.1%); the Accommodations and Food Services sector (192 jobs, 37.0%); and the Retail Sales (87 jobs, 16.8%) sector (U.S. Census Bureau, OnTheMap Application and Longitudinal Employer-Household Dynamics, *Work Area Profile Analysis, Q2-2014 data*). Revitalization of business in tourism-related industry sectors is vital to the recovery of the local and regional economy.

**Step 5: Where practicable, design or modify the proposed action to minimize the potential adverse impacts to lives, property, and natural values within the floodplain and to restore, and preserve the values of the floodplain.**

With the proposed improvements, potential threats to life and property would be reduced. The existing building is a two-story, wood frame structure on a concrete floor. The lot is 60 x 100' with the deli, on

the first floor, being approximately 600 sq. ft. Though new doors and windows will be included in the rehabilitation/reconstruction, no floodproofing is required as the rehabilitation/reconstruction does not constitute a major rehabilitation and the building footprint will not be increased or moved; therefore preserving the floodplain.

Beach Haven Borough is a member of the National Flood Insurance Program and structures located within the flood zone must comply with the local flood ordinance. HUD requires projects located in the floodplain to maintain flood insurance for the economic life of the property.

#### **Step 6: Reevaluate the Alternatives.**

Practicable alternatives to relocate the project outside of the floodplain are not available and would be contrary to the purpose and function of the proposed improvements.

Per 24 CFR 55.12(a)(4), since the proposed project involves only minor, interior rehabilitation to an existing nonresidential structure, no alternative beyond the No Action alternative was considered.

Due to its geography and physical shape as part of a barrier island, much of Beach Haven Borough is within the 100-year floodplain. A GIS analysis using the latest FEMA Preliminary Work Map mapping (see Exhibit 3) was performed to further characterize land parcels and floodplain designations in Beach Haven Borough:

- Approximately 80% of parcels within the borough are classified as being entirely or partially within the 100-year floodplain (Zones “AE” and “VE”).
- Approximately 11% of parcels within the borough are classified as being entirely or partially outside the 100-year floodplain but susceptible to the 0.2 percent annual chance flood hazard (i.e. the 500-year flood).
- Approximately 9% of parcels in the borough are classified as being entirely or partially outside the 100-year floodplain and 500-year floodplain, identified as Zone “X”. Most of these parcels are located along a narrow swath of land east of Atlantic Avenue that is protected from coastal flooding by existing dunes.

No areas outside of the 100-year or 500-year floodplain are located in the vicinity of the proposed project; therefore relocating the proposed project to another available nearby parcel would not necessarily avoid floodplain effects. Relocation of the proposed project to a parcel outside of the floodplain in Beach Haven, even if an adequate parcel was available, would likely be cost prohibitive as these areas are generally prime oceanfront and oceanside residential properties.

Similarly, the option of “no action” also remains impracticable because it will not satisfy the need for post-Sandy recovery in the borough. The no-action alternative would also not address the State’s need of re-establishing local businesses that were impacted by Superstorm Sandy.

It is our determination that there is no practicable alternative to locating the proposed project in the flood zone. This is due to: 1) the local and statewide need for re-establishing local businesses in the wake of Superstorm Sandy; 2) lack of suitable relocation alternatives due to the extent of flood hazard areas in the vicinity of the project and throughout Beach Haven Borough, and 3) the resultant no net-change in floodplain impact in comparison with pre-Sandy conditions.

Overall, construction of the proposed project would not result in significant adverse impacts to flood levels, flood risk, or the flow of flood waters on the project site or surrounding areas. Implementation of the proposed action would provide cost-effective improvements with no net-change in floodplain development and increased protection for property. Therefore, the proposed project would be compliant with the National Flood Insurance Act of 1968 (44 CFR § 59) and Executive Order 11988 on Floodplain Management (42 FR 26951).

**Step 7: Determination of No Practicable Alternative**

Not Applicable

**Step 8: Implement the Proposed Action**

The DCA will ensure that the project is constructed as proposed to ensure no adverse floodplain impacts. Implementation of the proposed action may require additional local and state permits, which could place additional design modifications or mitigation requirements on the project. The applicant is required to obtain all required federal, state, and county/local permits prior to commencement of construction and comply with all permit conditions.

If the scope of work of a proposed activity changes significantly, the application for funding must be revised and resubmitted for reevaluation under the National Environmental Policy Act (NEPA).

U.S. Department of Housing and Urban Development  
New Jersey Superstorm Sandy Community Development Block Grant- Disaster Recovery Program  
Stronger NJ Business Loan (SBL)

5-Step Floodplain Analysis - Executive Order 11988, HUD 24 CFR 55  
SBL618121 – 2205 S Bay Ave., Beach Haven, Ocean County

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***Exhibit 1: Photographs***



Front



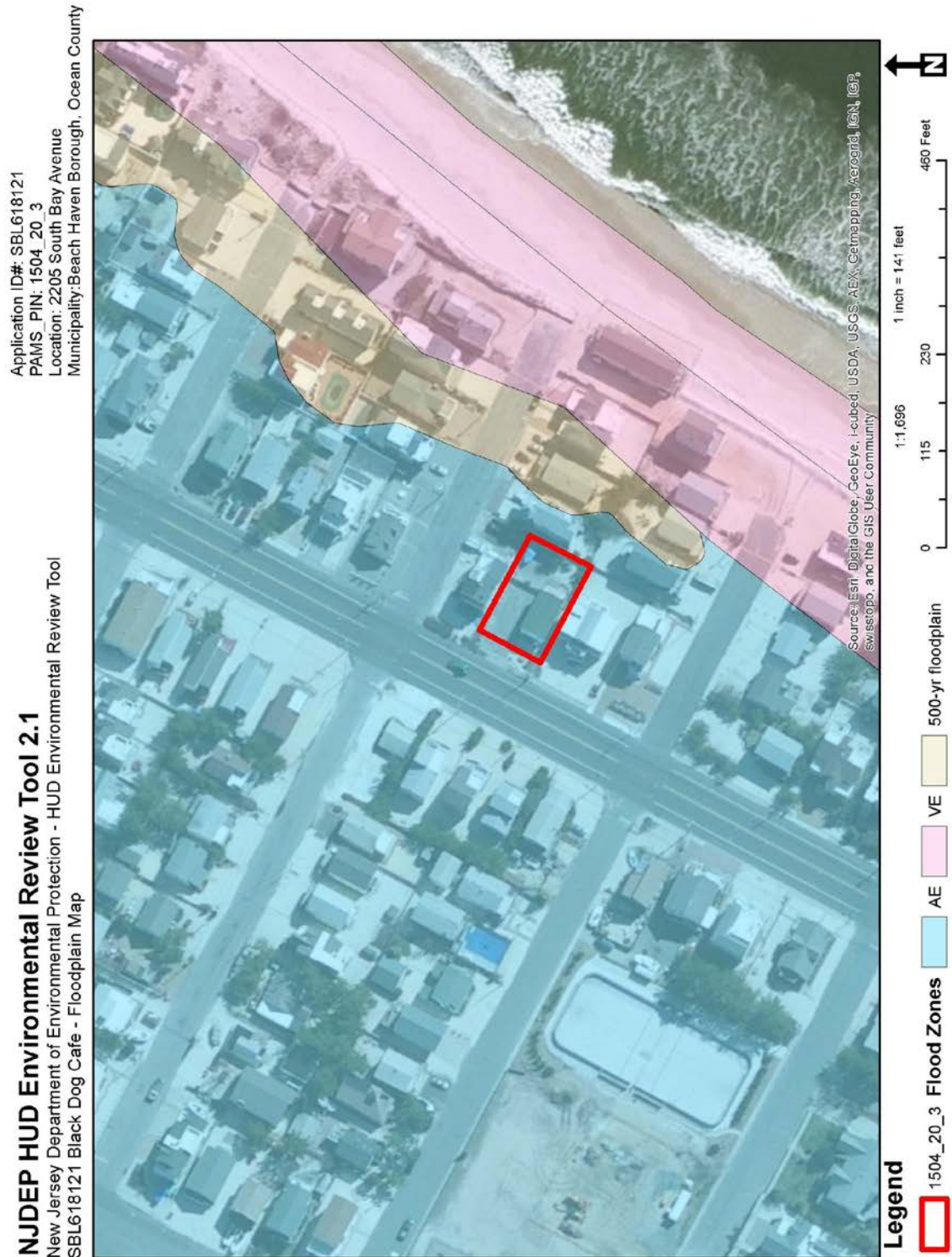
North elevation



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**Exhibit 2: Floodplain Map**



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**Exhibit 3: Beach Haven Borough Floodplain Context**

