

ACTION PLAN AMENDMENT

FOR THE STATE OF NEW JERSEY TROPICAL STORM IDA

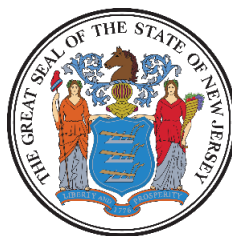
SUBSTANTIAL AMENDMENT 2

- Modification to Section 4.8.29 in the Blue Acres Program by changing safe house incentives eligibility.
- Modification to Section 4.8.35, 4.8.41, 4.8.43 in the Small Rental Repair Program by removing reconstruction as an eligible activity.
- Modification to Section 4.8.74 in the Resilient Communities Program by removing comprehensive planning as an eligible activity.
- Modification to Section 4.8.95 and 4.8.98 in the Resilient New Jersey program by removing municipalities as stand-alone eligible applicants to the program and adding counties and regional consulting teams.

PUBLIC COMMENT PERIOD: April 25 to May 25, 2023

DATE SUBMITTED TO HUD: 5/30/2023

DATE APPROVED BY HUD: 8/23/2023



Philip D. Murphy
Governor

Lt. Governor Sheila Y. Oliver
Commissioner

SECTION 1: OVERVIEW

The purpose of this **Action Plan Amendment (APA) Number 2** to the State's Ida Action Plan (approved by HUD on November 21, 2022) is to modify program eligible activities as detailed in this document. This amendment is considered substantial according to the definition stipulated in the HUD Federal Register Notice [87 FR 31636.pdf \(hud.gov\)](#) and in accordance with the State's citizen participation plan because it changes program eligibility criteria for programs and applicants.

APA 2 is available in English and Spanish through DCA's website, <https://www.nj.gov/dca/ddrm/>, and can be requested by email at DisasterRecoveryandMitigation@dca.nj.gov (Subject: Action Plan Amendment 2) or by contacting the Division of Disaster Recovery and Mitigation Constituent Services at 609-292-3750. To obtain a translated copy in a language other than Spanish, please contact Sylvia Johnston, the language access plan (LAP) coordinator, at 609-913-4247 or Sylvia.Johnston@dca.nj.gov. For hearing-impaired users, text telephone service is available at (TTY/TDD) 1-800-852-7899.

The public comment period for APA 2 will be open from 9 a.m. on April 24, 2023, to 5:00 p.m. on May 25, 2023.

Comments on the proposed amendment can be submitted via email to DisasterRecoveryandMitigation@dca.nj.gov or to the attention of Lisa Ryan at New Jersey Department of Community Affairs, 101 South Broad Street, P.O. Box 800, Trenton, New Jersey 08625-0800. All comments are given the same consideration regardless of the method of submission.

SECTION 2: ACTION PLAN CLARIFICATIONS

A. Modification to Section 4.8.29 of the Blue Acres program by changing who qualifies for safe housing incentives.

Explanation of Modification:

DCA does not want to create restrictions on which Blue Acre recipients would be eligible for the safe housing incentive. During the program policy development, restrictive language was discovered in 4.8.29 in Program Maximum Assistance stating that in order to receive a safe housing incentive it was contingent on owning the property at the time of the disaster. That language is inconsistent with the intent of the safe housing incentive and could result in households not receiving assistance that need additional support to relocate. The incentive will be made available to owners who are primary residents at the time of application instead of at the time of the disaster. This change will result in more recipients being eligible for the incentive.

Modification:

Edit in Section 4.8.29 Program Maximum Assistance as follows:

The program may award incentives to eligible applicants in addition to the buyout award. Incentives are available to owners who are primary residents **{insert}** at the time of application. ~~{delete} at the time of the disaster.~~

B. Modification to Section 4.8.35, 4.8.41, and 4.8.43 of the Small Rental Repair Program (SRRP) by removing reconstruction as an eligible activity.

Unmet Needs:

The number of applications DCA would receive for each program was unknown at the time of drafting the original Action Plan. In late February 2023, DCA opened applications to the Small Rental Repair Program and received 189 eligible applications. If all of the applications were to be funded with an average of 3 units per application at \$50,000 cost per unit, then there is a potential for a total need of over \$28,250,000. Understanding that the need will far exceed the amount of available funding, DCA made the decision to limit the eligible activities to rehabilitation and elevation and eliminate reconstruction. This change will allow DCA to assist more rental units and rehabilitate them more quickly.

Explanation of Modification:

The State established eligible activities for the Small Rental Repair Program in sections 4.8.35, 4.8.41, and 4.8.43 which included reconstruction.

As noted above, reconstruction as an activity can be expensive and require tenants to be displaced for a long period of time. Therefore, the State decided to remove reconstruction as an eligible activity during program policy development. By focusing CDBG-DR resources on rehabilitation and elevation, DCA can assist more LMI households by providing clean, safe, and affordable rental housing in the disaster affected areas of the State.

Modification:

Edit in Section 4.8.35 Program Description is as follows:

The program will provide assistance for activities necessary to restore storm-damaged homes, including rehabilitation, ~~delete) reconstruction,~~ elevation, and/or other mitigation activities. Mitigation activities include, but are not limited to, structural and utility retrofits to make the building more resistant to floods, grading and slope stabilization, and drainage improvements. Assistance also may be provided to make housing accessible for individuals living with disabilities. Substantial rehabilitation ~~{delete), or reconstruction~~ of properties with more than four rental units will include the installation of broadband infrastructure, where feasible.

Edit in Section 4.8.41 Eligibility as follows:

CDBG-DR Eligible Activity	Rehabilitation, {delete) reconstruction, elevation, acquisition, and lead-based paint and clearance; HCDA Section 105(a)1, 2, 4, 5, 11, and 25; applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 31636), other applicable waivers or alternative requirements.
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Eligible Activities:

Activities necessary to restore storm-damaged homes, including rehabilitation, ~~delete) reconstruction,~~ elevation, and/or other mitigation activities. Mitigation activities include, but are not limited to, structural and utility retrofits to make the building more resistant to floods, grading and slope stabilization, and drainage improvements. Assistance also may be provided to make housing accessible for individuals living with disabilities. Substantial rehabilitation ~~{delete) or reconstruction,~~ of properties with more than four rental units will include the installation of broadband infrastructure, where feasible. Only costs incurred after an award will be eligible for reimbursement. Reimbursement of pre-award costs is not

allowed. Displaced tenants are eligible for assistance under the URA. The program guidelines will define situations when landlords are responsible for covering eligible tenant displacement costs and when those tenants may be eligible to receive additional assistance through the Small Rental Repair Program or other programs, including, but not limited to, the Tenant-Based Rental Assistance program.

Edit in Section 4.8.43 Program Maximum Assistance as follows:

For elevation ~~{delete}~~ and reconstruction projects, DCA will prepare the design and scopes of work, which will help limit and standardize costs and ensure that the projects meet the desired resilience and energy efficiency goals.

C. Modification to Section 4.8.74 of the Resilient Communities Program by removing planning and project scoping as eligible activities.

Explanation of Modification:

The Resilient Communities Program provides funding for infrastructure projects designed to make communities more resilient to current and future natural hazards. The State established eligible activities in section 4.8.74 Program Eligibility that included planning. During policy development, a decision was made to only provide funding to projects that were shovel ready. Projects that were still in the planning phases would be better suited to apply to the Resilient NJ planning program for CDBG-DR funding. A description of that program can be found in Section 4.8.95 of the Ida Action Plan.

Modification

Edit in Section 4.8.74 Program Eligibility as follows:

**CDBG-DR
Eligible Activity**

Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements; HCDA Section 105(a)1, 2, 4, 9, ~~{delete}~~ and 12; applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 31636), other applicable waivers or alternative requirements.

Eligible Activities:

Activities may include acquisition; ~~delete} planning, project scoping~~ and pre-construction activities; construction or reconstruction; installation; and other infrastructure improvements, including those intended for flood protection, drainage improvement, emergency power, and hazard mitigation. Funds cannot be used to cover the costs for maintenance and operation, purchase of construction equipment, or buildings used for general use by government entities.

D. Modification to Section 4.8.95 and 4.8.98 in the Resilient New Jersey program by removing municipalities as stand-alone eligible applicants to the program and adding counties and consultant teams.

Explanation of Modification:

The Resilient NJ program will support resilience planning. It is modeled after an existing program administered by DEP. In order to better align to the existing program, the eligible applicants to the program need to be the same. Therefore, during policy development it was determined that municipalities should not be eligible applicants on their own. To qualify, they need to form regional teams and come in together for funding. Counties are also eligible applicants as part of a regional team. In addition, consulting teams were added as an

eligible applicant so that they may receive funding directly to assist regional teams with technical and planning assistance.

Modification:

Edit in Section 4.8.95 Program Description as follows:

This program will **{delete}** make direct allocations to units of general local governments, regional teams, and consultant teams to support local and regional resilience planning. The program will build on the existing efforts of Resilient NJ, a comprehensive climate resilience planning, guidance, and technical assistance program set up following Superstorm Sandy to support local and regional climate resilience planning. The regional resilience planning component of the Resilient NJ program was originally funded as part of HUD's National Disaster Resilience Competition (NDRC). One goal of the NDRC program was to model replicable programs. Funding Resilient NJ program with Ida funds will expand the program into the Ida-impacted counties and continue to implement the program model established under the NDRC program. The ultimate purpose of this planning effort is to build local engagement structures and capacity and to identify a prioritized action plan of specific, targeted activities that can be implemented as part of recovery, reconstruction, and long-term resilience processes so that communities are stronger, safer, and more resilient to future disasters.

Depending on funding availability, types of activities could include, but are not limited to:

- Creating plans that address housing development, economic revitalization, public land use and infrastructure.
- Developing updated local codes and standards to improve resilience.
- Developing comprehensive guidance utilizing the Resilient NJ Toolkit developed under the existing Resilient NJ program.
- Obtain technical assistance and subject matter expertise and developing climate resilience plans.
- Obtain technical assistance and subject matter expertise through the NJ Resilience Accelerator to identify, prioritize, and plan financially sustainable community projects and initiatives that support equitable long-term resilience.
- Develop community-led Resilience and Adaptation Action Plans.
- Cohorts of municipalities may collaborate across jurisdictions to break down barriers to resilience.

Edit in Section 4.8.98 Program Eligibility as follows:

Applicant Eligibility:

- **{delete}** Municipalities
- Regional teams that **{insert}** may include **{insert}** counties, municipalities and community-based organizations
- **{insert}** Consultant teams to support regional teams with technical and planning assistance.