

LMI Homeowners Rebuilding Program

1. Program Description

A. Allocation for Activity

\$ 38,085,000

B. Program overview (including intended program goals)

The Low-to-Moderate Income (“LMI”) Homeowner Rebuilding Program assists eligible applicants whose homes were damaged by Superstorm Sandy to complete the necessary work to make their homes livable and compliant with flood plain, environmental, and other State and local requirements. The LMI Program is intended to supplement other funds the owner has received to repair or reconstruct the structure. The LMI Program provides grants of up to \$150,000 to eligible applicants. Initially, \$10 million of the allocation was set aside to meet the needs of mobile home owner.

The application period for this program is now closed.

2. Method of Distribution

A. Eligible Applicants

Program applicants must have verified total household income that does not exceed 80% Area Media Income (AMI). Uncapped income limits will be used to determine LMI status, as approved by HUD.

At the time of the storm (October 29, 2012) the damaged residence must have been owned and occupied by the applicant as the applicant’s primary residence. Second homes, vacation residences, and rental properties are not eligible for LMI assistance.

B. Eligible Locations and properties (if applicable)

The damaged residence must be located in one of nine designated counties: Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, or Union.

No LMI funding can be provided to applicants whose homes are located in a Special Flood Hazard Area (100 year flood plain) in municipalities not participating in or suspended from participation in the National Flood Insurance Program including: Alpine, Cliffside Park, Englewood Cliffs, Union City, Freehold Boro, Shrewsbury, and Winfield.

The applicant must have registered for FEMA assistance prior to May 1, 2013. If FEMA records do not confirm the registration, applicants will be notified in writing and will have an opportunity to present documents that prove FEMA registration post October 29, 2012.

Applicants that previously received disaster recovery assistance after September 14, 1994 are required to obtain and maintain adequate and necessary flood insurance coverage. DCA will verify prior to executing a grant award that any applicant that has received prior disaster recovery assistance has maintained flood insurance, if required.

The residence must have sustained damage as a result of Superstorm Sandy with a Full Verified Loss (FVL) of at least \$8,000 or at least one foot of water on the first floor, as determined by FEMA, its sub-agencies, or affiliates. If FEMA records do not confirm the minimum level of damage, inspection data from the Small Business Administration (SBA) will be reviewed to determine if those records indicate an eligible level of damage. If data from these sources do not confirm the minimum level of damage, the applicant will be determined ineligible. The applicant will be notified in writing and offered an opportunity to submit acceptable third party documentation as noted below to verify the damage level. This review will follow the process in accordance with the appeals policy. The third party information that may be submitted as acceptable damage eligibility documentation included the following:

- National Flood Insurance Program (NFIP);
- Insurance Adjuster Estimate (IAE);
- Insurance documents demonstrating \$8,000 or greater in damage to the dwelling; and
- Damage Letter from local township demonstrating \$8,000 or greater in damage or excess of one (1) foot of flooding to the dwelling.

C. Eligible Beneficiaries (if applicable and different than applicants)

This section provides additional detail on program eligibility:

- *Eligible Structures*
Single family homes, owner-occupied units in multi-unit structures, owner-occupied units in mixed-use structures, and owned mobile/manufactured homes are eligible for the LMI Program.
- *Ownership*
An owner who occupied the property as a primary residence at the time of the storm must be the applicant. Allowable ownership arrangements include traditional fee simple ownership, cooperative and condominium, and ownership of a residence on leased land. Applicants with mortgages, including reverse mortgages, are eligible.

- Owner Occupants with Attached Rental Properties
In the case of structures that contain an owner occupied unit and rental units, the property owner may submit a LMI application for the owner occupied unit only.
- Cooperative and Condominium Units
Owner-occupied units in multi-unit properties, such as cooperative and condominium units, are eligible for the LMI Program. Applicants will need the approval of the condominium association or cooperative for the construction plan and must have the association or cooperative provide insurance information before a LMI grant can be awarded.
- Manufactured Housing Units:
Owner-occupants of manufactured housing units either with a manufactured home community or on a single lot whose homes were damaged by Superstorm Sandy are eligible for the program. In those instances in which the owner of a manufactured housing unit (MHU) forfeited their ownership of the property after the storm, and the owner can demonstrate the forfeiture occurred because the structure was deemed a total loss, the property will be considered eligible for the LMI Program as a special exception.
- Verification of Ownership
Whenever possible, ownership will be verified by title searches in public records. If ownership cannot be verified through a public title search, applicants will be asked to provide alternative documents, which may include property tax records, deeds, and other legal documents.

Primary Residence

Applicants must have occupied the property as their primary residence on the date of the storm (October 29, 2012). Second homes, vacation homes, and rental properties are not eligible for a LMI grant award.

Verification of primary residence is determined through evaluation of multiple data sources and documents. The preferred verification requires all three of the following:

- Ownership of the property must be confirmed as described program guidelines.
- FEMA records must show that the applicant reported to FEMA that the property was the applicant's primary residence at the time of the storm.
- The applicant must present a New Jersey driver's license or New Jersey non-driver identification card which shows the damaged residence as the applicant's address.

Alternative documentation will be considered if primary residence cannot be confirmed as above. If an applicant is unable to provide New Jersey identification (driver's license or non-driver identification card) or if FEMA records do not confirm primary residence, the applicant must present the following documents:

- Federal tax return document indicating damaged residence is primary residence, and
- Voter registration card showing the damaged residence.

The applicant may complete the *Certification of Primary Residence* as evidence of primary residence under exceptional circumstances. Other documentation offered by the applicant may be considered on a case-by-case basis.

FEMA Registration

Applicants must have registered for FEMA assistance to be eligible for a LMI grant. Applicants whose registration cannot be confirmed through FEMA records will be given an opportunity to present additional documentation.

Flood Insurance Requirements for Applicants Receiving Prior Disaster Assistance

In accordance with the Stafford Act, applicants that previously received disaster recovery assistance after September 14, 1994 are required to obtain and maintain adequate and necessary flood insurance coverage. DCA will verify prior to executing a grant award that any applicant that has received prior disaster recovery assistance has maintained flood insurance, if required. Applicants will be asked as part of their eligibility verification:

If applicant has received any flood event related assistance for damage to this property from any Federal source for any previous Presidentially-declared disaster (occurring after September 14, 1994) that required the mandatory purchase of flood insurance pursuant to National Flood Insurance Program (NFIP) regulations. The following questions must be answered:

- Which flood disaster event applicant received federal funds for.
- The amount of federal assistance related to flood that was received.
- If applicant carried flood insurance at the time of Superstorm Sandy.
- If the insurance coverage is currently in effect.

If applicant is determined to have received prior federal disaster recovery assistance and has failed to maintain the adequate and necessary flood insurance, applicant will be deemed ineligible for the LMI Program.

Minimum Property Damage

Verification that the damaged dwelling sustained a Full Verified Loss (FVL) of \$8,000 or more or at least one foot of water on the first floor will be confirmed by FEMA, its sub-agencies, or affiliates. If FEMA records do not confirm the minimum level of damage, inspection data from the Small Business Administration (SBA) will be reviewed to determine if those records indicate an eligible level of damage.

If data from these sources do not confirm the minimum level of damage, the applicant will have an opportunity to submit information from acceptable third party sources as noted below. If not submitted, the applicant will be determined ineligible. Applicants will be notified in writing and offered an opportunity to appeal in accordance with the appeals policy.

The following may be acceptable damage eligibility documentation:

- National Flood Insurance Program (NFIP);
- Insurance Adjuster Estimate (IAE);
- Insurance documents demonstrating \$8,000 or greater in damage to the dwelling;
or
- Letter from local township demonstrating \$8,000 or greater in damage or excess of 1 foot of flooding to the dwelling.

Substantial Damage Determination – Priority for Processing

“Substantial damage,” is defined as damage of more than 50% of the home’s pre-storm value. The substantial damage classification establishes a priority for processing LMI applications as described in Section 1.6 above.

Applicants who stated on their application that their home was “substantially damaged” are prioritized and processed first for funding. As mandated by the VCA, substantially damaged Manufactured Housing Units are prioritized until \$10 Million of grant funding is reached. Once \$10 Million of substantially damaged Manufactured Housing Units have been addressed, all substantially damaged eligible structure types will be addressed. Finally all non-substantially-damaged properties will then be eligible in that category.

Proof of Substantial Damage.

The applicant is responsible for securing the appropriate letter from the local flood plain manager, who is the primary person presently authorized to issue a substantial damage letter. Applicants who indicated on their application their property was substantially damaged and demonstrate that they made every best effort to obtain the appropriate letter from the local flood plain manager, but were unable to do so will not be required to provide a *Substantial Damage Letter* to satisfy eligibility requirements. The LMI Program will allow

such applicants to proceed without the *Substantial Damage Letter* if applicant completes the *Substantial Damage Acknowledgment Form*, attesting that they:

- Have not received a Substantial Damage letter from their local flood plain manager,
- Believe the property is “substantially damaged,” based on the LMI Program definition, and
- Agree that they will be required to elevate the damaged property.

Changing Status of Substantial Damage Selection.

Applicants who stated on their application their home was “substantially damaged,” but upon being funded, claim their home is “non-substantially damaged,” must provide a letter from their local floodplain manager verifying the structure is not substantially damaged. If the applicant is unable to obtain a letter from the floodplain manager demonstrating the structure is non-substantially damaged, they may appeal to DCA for a determination in lieu of a letter.

Requirements for Non-Substantially Damaged Properties.

Applicants who are funded and selected on their application they are not substantially damaged will not be required to provide a *Substantial Damage Letter* to satisfy eligibility requirements under the LMI Program. In order to proceed past the initial eligibility requirements, applicants must complete the *Non-Substantial Damage Acknowledgement Form*, attesting that they:

- Have not received a *Substantial Damage Letter* from their local floodplain manager to date,
- Agree to notify the LMI Program if a substantial damage determination is issued by the floodplain manager at a future date,
- Elect whether they wish to voluntarily elevate their structure under the LMI Program, and
- Agree that if the LMI Program conducts a damage review and the program determines the property does meet the definition of “substantially damaged,” the homeowner will be required to elevate.

While a substantial damage determination issued by a local floodplain manager triggers the requirement to elevate an applicant’s home, a property that may not have been substantially damaged is still eligible for optional elevation as an eligible cost under the LMI Program. Applicants who attest that they have not received a substantial damage determination may opt to elevate their house under the LMI Program and this will be considered an eligible cost for the Program. Non-substantially damaged applicants must finalize their decision to voluntarily elevate prior to signing a grant award. A non-substantially damaged applicant may request an amendment to their grant award

agreement to reflect a change in their decision to elevate, subject to DCA approval on a case-by-case basis. Applicants do not have a *Substantial Damage Letter* issued by a local floodplain manager and voluntarily elect to elevate, the Program will include in its grant award calculation funding for elevation. Failure to complete elevation will result in the need to subrogate all LMI funds paid for elevation.

LMI Determination of Substantial Damage

Change in Elevation Requirement for Non-Substantially Damaged Applicants. Applicants that are funded as “non-substantially damaged” will be required to elevate under the following circumstances:

- The applicant subsequently receives a substantial damage determination by their floodplain manager for the property prior to date of grant award, or
- LMI Program manager, through his/her own assessment, determines the property to be substantially damaged.

Should an applicant have a letter from their floodplain manager confirming the level of damage to the structure, the letter shall take precedence over a LMI Program-generated substantial damage assessment.

LMI Substantial Damage Estimate (SDE). During the initial site inspection, the LMI Program Managers will collect necessary information for DCA to make a substantial damage determination. DCA will utilize this data for applicants who have completed the Non-Substantial Damage Acknowledgment to make a determination confirming whether the structure is non-substantially damaged, or if the Program deems the structure substantially damaged. The estimate will be conducted in accordance with the Substantial Damage Data Collection policy established in *Section 5.1* of the Policies and Procedures. LMI program managers will record pertinent information for the Substantial Damage Estimate and transmit to DCA operations along with the feasibility package.

Change in Elevation Requirement. Applicants who completed the *Non-Substantial Damage Acknowledgment Form*, but whose property SDE exceeds 50% damage based on the Program-Assessed calculation will be allowed to move past the initial site inspection stage, but will be required to elevate. Applicants may avoid this elevation requirement if they have a letter from their floodplain manager stating the property was not substantially damaged. These applicants may not sign a grant with the LMI Program unless the applicant agrees to elevate the structure, obtains a letter from their floodplain manager, or appeals to DCA and has their SDE calculation overturned. Properties whose SDE is below 50% damage will be provided the option to elevate, but will not be required to elevate.

3.8.4.4 Appeal. Applicants may appeal the determination of the SDE estimate, which will be submitted to DCA for review and decision. The request to appeal should be submitted to an applicant's Housing Advisor.

3.8.4.5 Grant Waiver of Elevation. Non-substantially damaged applicants who waive their option to elevate under the LMI Program will record the decision on the *Non-Substantial Damage Acknowledgment Form*. Once a grant is signed, applicants cannot request additional funding if, at a future date, applicant chooses or is required to elevate their home.

Income Requirements and Verification

Income is used to classify households as low to moderate income (LMI) households based upon income limits published by HUD. Only applicants with income below the LMI limits are eligible for LMI Program grants.

Income limits are published by HUD and vary by county and household size. In clarification received from HUD in September 2013, HUD has allowed for uncapped income limits to apply retroactive to April 29, 2013 and be used to determine income levels of non-LMI and LMI. The LMI Program will apply the uncapped limits table as approved by HUD.

The income definition used for the LMI Program is the definition of annual income as defined by IRS Adjusted Gross Income. Applicants certify to total household income on the LMI application. This certification will be used initially to classify applicants as LMI households.

In the event that a copy of one of the federal tax return is not available or if the homeowner's projected 2015 income will exceed their 2014 income, income will need to be determined by providing one or more documents for each of the following income determination inclusions. Note that this documentation is only required if known income for 2015 will exceed the income stated on the applicant's 2014 tax return or the applicant does not file a federal tax return. Appendix A summarizes the required documentation of income.

Applicants certify to total household income on the LMI application. The homeowner is required to complete and sign the *LMI Income Certification* and provide supporting tax or other applicable documentation. (See *Appendix A* for the *Income Certification Form* and documentation job aide.)

Applicants whose household income exceeds the uncapped income level are ineligible for the LMI Program. Applicants will be notified in writing of their ineligibility and offered an opportunity to appeal the decision in accordance with the appeals policy.

Note: Low/moderate income limits are published annually by HUD. Please refer to Appendix A for the most recent income limits. The State has received approval to apply Uncapped Income Limits.

Definition of Household

For the purpose of determining the applicable income limit, the following persons are household members:

- All adult household members living in the unit except live-in aides and foster adults.
- All children living in the unit except foster children. Children who are in the process of being adopted are included. Children who occupy the unit at least 50% of the time under a shared custody agreement are counted. Children who are away at school but live in the household during school recesses are included.
- Guests or others staying in the unit on a temporary basis are not counted as household members.

D. Program targeting (including if there is an LMI preference or it has a residency or nine counties requirement)

Low and moderate income homeowners (80% AMI and below) in the nine most impacted counties.

E. Summary of How Funds are Distributed and Application process

Applicants to the LMI program will access applications by visiting the Renew Jersey Stronger website (<http://www.renewjerseystronger.org/>). Applications may be electronically submitted either by individual homeowners or by Sandy Recovery Housing counselors who will assist homeowners to submit application. Housing counselors are able to submit an application on behalf of a homeowner who authorizes his/her assistance.

Recipients of LMI funds will be prioritized based on the following:

- Priorities Based on Income - All funds are reserved for Low to Moderate Income (LMI) applicants. Uncapped income limits will be used to determine LMI status, as approved by HUD.
- Priorities Based on Level of Damage and Structure Type
- As required by the Voluntary Compliance Agreement (VCA), the program must serve homeowners of Manufactured Housing Units (MHU), at a minimum of \$10 Million of program funds

Four priority levels have been established to enable the Program to serve households with the greatest needs:

- Priority 1: Manufactured Housing Units funded up to the VCA mandated \$10 Million, with “substantial damage,” as determined by New Jersey floodplain managers or as determined by DCA, regardless of zone.
- Priority 2: Manufactured Housing Units funded up the VCA mandated \$10 Million with “major or severe damage”
- Priority 3: All eligible homes with “substantial damage,” as determined by New Jersey floodplain managers or as determined by DCA, regardless of zone, and,
- Priority 4: (if demand and funds remain after Priority 1 -3): Homes with severe/major damage.

Application Methods

All applications are submitted electronically. Applicants may submit applications online; receive assistance to submit applications at designated Sandy Housing Counseling Locations. The method of application does not affect the applicant’s status or likelihood of award.

Addresses for Sandy Housing Counseling Locations and hours for the centers are available at reNewJerseystronger.org

Initial Application Period

Applications received during the application period from the designated nine counties were placed in a randomized order for processing that is determined by an electronic random selection process. This ensured that all applicants are treated fairly, regardless of application method.

Selection for processing is not a determination of eligibility or a guarantee of funds. Rather it determines the order in which completed applications will be selected for initial eligibility processing. Eligible applicants who do not receive funding during the initial application period are placed on a waiting list to be considered for funding during subsequent funding periods.

Applicants accessed the LMI Homeowner Rebuilding program applications by visiting the Renew Jersey Stronger website (<http://www.renewjerseystronger.org/>). A link to the LMI Application was available. Upon initiation of the link, applicants created a user account with the following:

- Applicant First and Last Name
- Applicant E-mail Address
- Indication of Limited English Proficiency (LEP) Services

An email verification of account creation was sent to the system user's email account. The creation of a user account allowed applicants to initiate and submit an application to the LMI program. Applicants who had difficulty applying to the program using the online system were offered assistance via Sandy Recovery Housing Counseling services.

Once the user account was created, applicants must take the deliberate step to initiate an application to the program by clicking on the *Applicant Information* tab in the online system.

Applicants are allowed to submit more than one application provided that the damaged

The online application requires applicants to answer questions in the following categories:

- Applicant Information - General applicant details including demographic information, mailing address and contact information
- Damage Property Information - Information including damage property address, property structure type, property ownership, and residency details.
- Co-Applicant Information - Identification of a co-applicant who is authorized to provide application information or make decisions equal to that of the primary applicant.
- Detailed Damage Property & Program Eligibility Questions - More specific information regarding storm damage including, FEMA registration number, level of damage, flood insurance details, in-progress voluntary buy-out proceedings, basic income verification, and foreclosure proceedings on the damaged property.

An email notification was sent to the applicant to verify applications submission.

Upon submission of the application, the applications were retained until the end of the open application period. All applications submitted during the intake period, were included in the random selection process. Applications that were started but not submitted will not be included in the randomization process.

Notices to Applicants

Notice of Preliminary Eligibility & Award

The preliminary notice will inform applicants of preliminary eligibility and funding status.

Application processing for preliminary eligibility determinations will take place according to the random selection process. Based on the availability of funding, applicants that have been determined eligible will receive a *Notice of Preliminary Award* to notify them that their applications have been selected for processing. The notification will inform the applicant of his/her assigned housing advisor and will include instructions for

documentation the applicant should collect and bring to the Initial Housing Advisor meeting.

Applicants have the option to complete Grant Signing documentation electronically or at an in person meeting with the Housing Advisor. Applicants must provide the following information for a Grant Signing meeting:

Notice of Ineligibility

Applicants who are determined to be ineligible for the Program will be notified in writing of the reason for ineligibility. Applicants that believe that the ineligibility determination has been made in error have thirty (30) calendar days to file a written appeal as described in the appeals policy.

If an applicant has a change in circumstance based on information reported in the application and when documentation is submitted, this may result in a determination of ineligibility or moved to the waitlist. For instance, if a household reported to be of the LMI range or having sustained substantial damage and documentation submitted conflicts with that determination, the homeowner will be moved to the waitlist in accordance with their determined order, in line with the program prioritization.

Environmental Clearance Notice

If applicant is on the funded list and after Tier II clearance is received from DEP, applicant will be sent a letter notifying them of the following:

- Construction activities completed after environmental clearance are potentially eligible for funding,
- Construction activities completed after environmental clearance is no longer considered within the federally prohibited time period for grant funds, and
- Some construction activities completed prior to environmental clearance may be eligible for LMI funding as reimbursement.

Pre-Grant Signing Notice

Upon completion of all pre-grant award signing requirements, applicant will be sent notification that they may proceed to grant signing. Applicants will be provided the following documents in advance of their grant signing meeting for review:

- Grant Award Agreement,
- Grant Award Calculation Overview Handout,
- Qualified Builder Information Sheet, and
- Mandatory Contractor Addendum.

Withdrawn Applications

Voluntary Withdrawals

Applications may be withdrawn by an applicant at any time. Applicants must provide a written notice of their intent to withdraw. Applicants may send a letter clearly indicating their intent to voluntarily withdraw from the Program or complete and submit the *Voluntary Withdrawal Form*. When an applicant withdraws, DCA will send applicant a written notice to confirm that the applicant's intention is to withdraw.

Voluntary Withdrawal Reinstatement Requests

Applicants who have been voluntarily withdrawn have thirty (30) days from the date of mailing *DCA Voluntary Withdrawal Confirmation Letter* to submit a written request for reinstatement based on extenuating circumstances. The request will be reviewed and approved by DCA Housing Recovery staff, on a case-by-case basis.

Applicants must demonstrate they meet the Program eligibility criteria through by submitting supporting documentation with their written reinstatement request.

Administrative Withdrawals

Applications may be administratively withdrawn for the following reasons:

The Program confirms that an application is a duplication of another valid application or conflicting Program.

An applicant or awardee fails to provide required documentation or information after receiving a written request. Applicants will receive a notice giving them fifteen (15) days to provide the required information.

Applicants whose applications have been administratively withdrawn will have thirty (30) business days to file a written appeal as described in the appeals policy.

Administrative Withdrawal Reinstatement Requests

Applicants who have been administratively withdrawn from the LMI Program have thirty (30) days from the date the final *Administrative Withdrawal* certified letter is mailed to submit a written request for reinstatement, based on extenuating circumstances. The request will be reviewed and approved by DCA Housing Recovery staff, on a case-by-case basis. DCA's will consider applicant's responsiveness to Program correspondence or requests for documentation when making the reinstatement determination.

Initial LMI Housing Advisor Appointment

Housing Advisors serve as program designated staff to assist eligible applicants through the grant signing process. Once an applicant is deemed preliminarily eligible for the

program, a housing advisor will schedule an initial interview. The purpose of the initial interview is to confirm eligibility, provide the applicant with additional information about the program, and collect supporting information that will enable the application to be forwarded to the LMI program managers for initial site inspection. Housing advisors use an initial appointment checklist to ensure all required topics are covered during the appointment. The initial LMI appointment for preliminarily eligible applicants may be performed in person or remotely.

Confirm Applicant Eligibility

Applicants received a preliminary eligibility determination at the time of selection. Additional eligibility factors must be confirmed at the time of the initial interview. Intake staff confirms the following as part of the initial interview:

Funded List: Applicant's name is found on the funded list.

Income Eligibility and Status: Applicant's income does not exceed 80% AMI, as per the HUD income guidelines.

Substantial Damage: Applicant has provided a substantial damage determination letter from the local flood plain manager, or completed the required acknowledgement form.

Primary Residence: A preliminary determination of primary residence was made at applicant selection; final documentation (generally a New Jersey driver's license or non-driver identification card) must be obtained at the initial interview.

Legal Residency in the United States: Applicants must provide evidence of legal residency in the United States. A New Jersey driver's license or New Jersey non-driver identification card or a U.S. passport serve as evidence of legal residency. If the applicant cannot present one of the documents, the applicant must sign the legal residency in the United States certification form.

Ownership: If any anomalies in the title search required applicants to present additional ownership documentation at the time of the initial interview, case notes in the system of record will direct the housing advisor to collect the information/documentation at the interview.

Collect Duplication of Benefits Information

Applicants are instructed to bring to the interview the duplication of benefits questionnaire that reports amounts the homeowner received from FEMA, SBA, Insurance, other Federal, State, and local programs, and charitable or nonprofit organizations. The form also requests information about funds the homeowner has spent on repairs. Applicants must

collect receipts and proofs of payment for all Sandy-related repairs and hold them for five (5) years. Homeowner will sign a certification about the receipts held as proof of work completed prior to application. See *Section 4* for a full discussion of duplication of benefits.

Prepare for Initial Site Inspection

- Right of Entry and Release of Information (ROE): The ROE is the homeowner's permission for inspectors from the LMI Program and the Department of Environmental Protection to enter the property to evaluate conditions. This form must be signed in order for the application to be referred for inspection. Signature by the co-applicant is not required. The housing advisor can serve as the witness.
- Lead-Based Paint Booklet and Lead-Based Paint Notification Receipt: Each applicant is given a HUD-provided lead-based paint brochure and asked to sign the notification receipt to confirm receipt.

Applicants may conduct the initial site inspection preparation telephonically by contacting their Housing Advisor and/or LMI program manager, where appropriate.

Transmittal to LMI Project Managers

When all required documents have been collected, cases are transferred to the LMI project managers for initial site inspections. A case is ready for transfer to LMI Program manager when the Preliminary Eligibility has been confirmed; Right of Entry form and Duplication of Benefits Questionnaire have been collected.

F. Appeals process

The State of New Jersey Department of Community Affairs (DCA) has tasked the Superstorm Sandy Housing Advisors to administer the initial administrative appeals process for three of its Sandy recovery programs funded through the Community Development Block Grant Disaster Recovery (CDBG-DR) program. Housing Center staff shall inform any applicant that appeal determinations of Housing Recovery staff for the Homeowner Resettlement Incentive Program, the Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program, the Landlord Rental Repair Program (LRRP), and the LMI Homeowner Program are filed directly to DCA, Sandy Recovery Division.

The DCA Office of Compliance and Monitoring will undertake an initial review of the relevant facts pertaining to the appeal for each of the programs, listed above. If the initial review of the appeal conducted by a three (3) person panel, made up of staff of the DCA

Office of Compliance and Monitoring, upholds the determination of the Housing Program staff, the applicant shall be notified in writing and provided instructions regarding their rights to formally file an appeal. The intention to file a formal appeal must be filed within the prescribed period as set forth herein. Initial reviews of determination that are not overturned by the DCA Office of Compliance and Monitoring are appealable. If the facts of the case can be contested, the case will be referred to the Office of Administrative Law (OAL) for a hearing. In cases where the facts are non-contested, the DCA Commissioner will issue a Final Decision which is appealable to the New Jersey Superior Court, Appellate Division.

Appeal determinations not overturned by OAL and upheld by the DCA Commissioner are also appealable to the Appellate Division in accordance with New Jersey State law.

Appeals are limited to actions or decisions that the individual making the appeal (Petitioner) believes to be in conflict with stated program policies or to be based on contestable facts. Program policies established by DCA are not appealable. The following are examples of decisions subject to administrative appeal:

- FEMA registration determination
- Minimum damage threshold determination
- Owner occupied, primary residency determination
- Determination of income

Decisions Not Subject to Appeal (non-contested matters) include, but are not limited to, the following:

- Eligible county determination (program policy (excl. LRRP) requires that applicants live in one of the nine most impacted counties as specified in the Federal Register Notice of March 5, 2013);
- Incomplete or non-existent applications for any of the programs;
- The terms and conditions of any required legal agreement such as the Grant Agreement, Escrow Agreement, Promissory Note, and the like;
- Determination of Pre-Storm Value of the damaged residence may not be appealed to the program, but homeowners may appeal the determination to the local taxation authority;
- Requirements imposed by Federal, State, or local law or regulation;
- Decisions of a local Flood Plain Manager may not be appealed to the

Housing Advisor, but may be appealed directly to the Flood Plain Manager;

- Environmental determination;
- If the municipality of the damaged residence opted out of flood insurance, the applicant does not qualify for any program;
- Determination of award amount; and
- Determination of Duplication of Benefits.

Appeal requests to the DCA Sandy Recovery Division must be postmarked within thirty (30) calendar days of the date of service. Information about the appeal process is available at: <http://www.renewjerseystronger.org/appeal> Information can be also received by calling the Housing Assistance Hotline at 1-855-726-3946. Appeals must be submitted in writing to:

ReNewJersey Stronger Appeals
P.O. Box 32128
Newark, New Jersey, 07102.

The applicant's written request should contain the following information:

- Applicant's name,
- Address of damaged residence,
- Applicant's mailing address,
- Applicant's telephone number,
- Email address (if available),
- The reason(s) the decision or action is being appealed,
- Documentation that supports the request to overturn the decision or action, and
- Application number (RSP#, RRE# and/or SRP#).

Appeals will be received and processed by the DCA Operations staff. Appeals will be date stamped when received and placed on a log for tracking. The DCA Operations staff will submit the written notice of appeal to the DCA Office of Compliance and Monitoring within twenty (20) calendar days of receipt.

DCA Office of Compliance and Monitoring staff will initially review appeals relating to actions or decisions made by the DCA Housing Program staff. This staff is independent from the Housing Division that originally made the decision being appealed. If appropriate, the DCA Office of Compliance and Monitoring staff will overturn the initial decision and notify the DCA Housing Program staff. If the DCA

Office of Compliance and Monitoring determines that the determination or decision should stand, they will prepare an appeals worksheet and documentation to support the decision for the submission of the appeal to the OAL. The DCA Sandy Recovery Division Appeal Board, consisting of three (3) members shall review the appeal documentation presented by the DCA Office of Compliance and Monitoring. The Appeal Board shall render a decision by majority vote.

If appropriate, the DCA Compliance and Monitoring staff may contact the applicant to allow him/her to provide additional documents to address any deficiency or incomplete information, or to be interviewed to determine the merits of the applicant's appeal.

If the action or decision of the Housing Program staff is overturned by DCA Appeal Board, notification will specify the corrective action to be taken. For contested cases where ineligibility has been upheld, the Sandy Recovery Division will render a decision and notify the applicant of the decision in writing by certified mail. For non-contested cases, the DCA Commissioner will issue a Final Agency Decision.

The decision of the Sandy Recovery Division may be appealed by submitting a petition for a formal hearing before the OAL within thirty (30) days of the date on the letter the applicant receives regarding DCA's final decision. Only contested cases will be forwarded to the OAL.

The written request must be addressed to:

Department of Community Affairs
Appeals Officer
Appeals Unit, Sandy Recovery Division,
P.O. Box 823
Trenton, NJ 08625.

The 30 day appeal period begins 5 days from the date of mailing (the date on the letter) not the date of receipt. If an appeal is forwarded to the OAL a formal hearing before an Administrative Law Judge (ALJ) will be held. The ALJ will issue an initial decision for review by the DCA Commissioner.

For contested cases, the DCA Commissioner will review the initial decision by the OAL and issue a final decision, accepting, modifying, or rejecting the ALJ's initial decision. The OAL decision and the final decision will both be sent to the petitioner at the address provided.

Non-contested cases will not be referred to the OAL. The DCA Commissioner will instead issue a Final Agency Decision which will be appealable directly to the New Jersey Superior Court, Appellate Division.