

ACTION PLAN AMENDMENT

FOR THE STATE OF NEW JERSEY TROPICAL STORM IDA

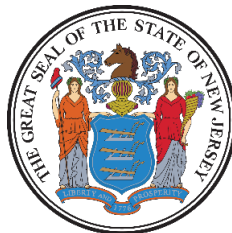
SUBSTANTIAL AMENDMENT #4

- Allocate the additional \$149,229,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to existing and newly created Ida programs.
- Addition of the Ivy Hill Storm Water Mitigation Program
- Addition of the Resilient Multifamily Housing Program
- Modification to move funding from the FEMA Non-Federal Match program to the Homeowner Assistance and Recovery Program (HARP)
- Modification to move funding from the Statewide Housing Mitigation Tool and Resilient NJ to the Housing Counseling and Legal Services Program
- Modification to HARP to create the HARP Rental Assistance-Temporary Relocation public services budget line item
- Modification to the Smart Move Program to amend program requirements
- Modification to the Smart Move Program to create a budget line item to fund infrastructure in support of housing

PUBLIC COMMENT PERIOD: July 12, 2023 – August 11, 2023

DATE SUBMITTED TO HUD:

DATE APPROVED BY HUD:



Philip D. Murphy
Governor

Lt. Governor Sheila Y. Oliver
Commissioner

SECTION 1: OVERVIEW

The purpose of this **Action Plan Amendment (APA) #4** to the State's Ida Action Plan (approved by HUD on November 21, 2022) adds an additional \$149,229,000 of funding to the Ida recovery programs, adds new programs, and modifies existing budgets and programs. This amendment is considered substantial according to the definition stipulated in the HUD Federal Register Notices [87 FR 31636.pdf \(hud.gov\)](#) and [88 FR 3198.pdf \(HUD.gov\)](#) and in accordance with the State's citizen participation plan.

APA #4 is available in English and Spanish on DCA's website, <https://www.nj.gov/dca/ddrm/>, and can be requested by email at DisasterRecoveryandMitigation@dca.nj.gov (Subject: Action Plan Amendment #4) 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 #4 will be open from 9:00 a.m. on July 12, 2023, to 5:00 p.m. on August 11, 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 MODIFICATIONS

A. Executive Summary

In January 2023, the U.S. Department of Housing and Urban Development (HUD) announced that the State of New Jersey would receive an additional \$149,229,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funding through publication in the Federal Register, Vol. 88, No. 11, January 18, 2023 (88 FR 3198) to support long-term recovery and mitigation efforts following Tropical Storm Ida (DR-4614). This allocation was made available through the Continuing Appropriations Act, 2023 (Pub. L. 117-180) approved on September 30, 2022 (the 2023 Appropriations Act).

This additional allocation will supplement the initial allocation of \$228,346,000 of CDBG-DR funding announced by HUD in May 2022 through publication in the Federal Register, Vol. 87, No. 100, May 24, 2022 (87 FR 6326). That allocation was made available through the Disaster Relief Supplemental Appropriations Act of 2022 (Pub. L. 117-43) and approved on September 30, 2021 (the Appropriations Act).

This substantial amendment will modify the existing Ida Action Plan to implement the additional allocation as well as make changes to the first Ida allocation budget and programs.

The Unmet Needs and Proposed Allocation section will be updated to include information received from the public and other stakeholders that informed DCA's decision making. In the Grantee's Proposed Use of Funds section, the project budget has been updated to reflect the additional allocation. The newly created Resilient Multifamily Housing Program and the Ivy Hill Storm Water

Mitigation Program are fully described, and the modifications to the Smart Move Program and the Homeowner Assistance and Recovery Program (HARP) are detailed. Furthermore, existing funding from the first Ida allocation for the FEMA Non-Federal Match program has been moved to HARP. Funding from the Resilient NJ program and the Statewide Housing Mitigation Tool has been moved to the Housing Counseling and Legal Services Program.

B. Unmet Needs & Proposed Allocation

In the Public Action Plan approved by the U.S. Department of Housing and Urban Development (HUD) in early 2023, the State calculated that the total unmet needs as a result of Tropical Storm Ida were \$1,412,853,573. The complete Unmet Needs Assessment is included in the Ida Initial Action Plan published on the State’s website at [New Jersey Department of Community Affairs \(DCA\) | Disaster Recovery and Mitigation \(nj.gov\)](https://www.nj.gov/community-affairs/dca/disaster-recovery/mitigation/).

The remaining unmet need was calculated after receiving program applications as well as comments from the public, partners, and stakeholders. This new information was considered in relation to the unmet need detailed in the Action Plan. Table 1 summarizes the unmet needs from the Action Plan and the amount of funding from the first and proposed second allocations. The majority of the funding from both allocations will fund owner-occupied and rental housing programs. However, even with over \$220,000,000 going toward housing, the remaining housing unmet need will still not be met. Although infrastructure appears to be over prescribed, much of the mitigation set-aside will be spent on infrastructure projects providing storm water solutions, hardening infrastructure, or creating new resilient systems to help protect against future storm events. No funds are planned for economic programs. As mentioned in the initial Ida Public Action Plan, the State has allocated other federal and State dollars to economic revitalization.

Table 1: Unmet Needs and Proposed Allocations

Category	Remaining Unmet Need	First Allocation Amount May 2022	Proposed Second Allocation Amount January 2023	Total Allocation
Housing	\$1,052,449,977	\$138,928,700	\$89,767,550	\$228,696,250
Economic	\$303,654,020	\$0	\$0	\$0
Infrastructure	\$56,749,576	\$54,000,000	\$20,000,000	\$74,000,000
Public Services		\$24,000,000	\$32,000,000	\$56,000,000
Planning	n/a	\$0	\$0	\$0
Administrative	n/a	\$11,417,300	\$7,461,450	\$18,878,750
TOTAL	\$1,412,853,573	\$228,346,000	\$149,229,000	\$377,575,000

C. Unmet Needs Assessment

Multifamily Housing

The New Jersey Housing and Mortgage Finance Agency (NJHMFA) estimates that more than 7,000 LIHTC units over the next decade (4,000 of which are in the seven MIDs) will no longer be governed by affordability restrictions making preservation and rehabilitation of existing affordable housing stock more important than ever. Many of these affordable units are older and are especially vulnerable to climate change. The units were built without regard for flood risk and many lack

features like air conditioning which was considered a luxury at the time but now can prove lifesaving during heat waves.

Due to the lack of sustainable construction at the time, there is now a need to rehabilitate existing multifamily properties to make them more resilient. There are approximately 63 NJHMFA developments that reported damage from Hurricane Ida, of those, 59 developments are in the HUD and State MIDs. Seven of those properties received CIAP loans to repair damages. The remaining 56 properties are financing a portion of their repairs with insurance proceeds, but they still have remaining resiliency and mitigation needs. Table 2 below summarizes the type of damage incurred by each property with rain infiltration causing leaking windows, doors, and roofs; ground water causing flooding in basements affecting mechanical systems, and wind damaging siding, roofing, and air conditioning units.

In addition to this data, in late 2022, DCA reached out to multifamily property owners to inquire about unmet needs resulting from Tropical Storm Ida, as well as resilient measures they felt would improve their structures to withstand future events. The majority of owners indicated that their properties had mitigation needs like floodproofing basements, elevating mechanical systems, and hardening infrastructure.

The additional allocation of funds gives the State the opportunity to create a multifamily housing program to invest more comprehensively in sustainable, resilient, affordable housing. The newly created program will fund resilient rehabilitation in existing NJHMFA multifamily units within the State and HUD MID areas. DCA will allocate \$30,000,000 to affordable and resilient multifamily rental housing.

Table 2: Type of damage sustained by existing NJHMFA properties

Damage	Count
Wind damage to exterior of property or mechanicals	4
Water damage to structure or mechanicals	29
Structural Flooding	30
Grand Total	63

Owner-Occupied Housing

In late February 2023, DCA opened applications to its Homeowner Assistance and Recovery (HARP) Program. The application window closed on May 1, 2023. DCA received 2,222 applications with 2,198 applications from homeowners in the HUD and State MID areas. Out of the received applications, 24 were from homeowners located in ineligible counties. Table 3 breaks down the 2,198 applications received into the priority groups established in the Action Plan. DCA will fund applications by phase, with phase 1 receiving priority.

DCA allocated \$38,437,121 of the additional funds to this program to ensure there is adequate funding for all eligible phase 1 applicants. This will bring the total HARP budget from both allocations to \$111,365,821.

If eligible homeowners need to temporarily relocate from their homes due to the Community Development Block Grant Disaster Recovery (CDBG-DR) rehabilitation project, HARP rental assistance funds can be utilized. To meet this need, DCA has allocated an additional \$10,000,000 in public service funding to HARP from the additional allocation.

Table 3 Applications by Phase in the HUD and State MID Areas

Priority	Phase	HUD MID	State MID
1	Phase 1 - Less than 80% of AMI ¹ and above age 62 or disability in household	584	53
2	Phase 1 - Less than 80% of AMI only	583	36
3	Phase 2 - 80%–120% of AMI and above age 62, disability and home substantially damaged	19	0
4	Phase 2 - 80%–120% of AMI and above age 62, disability or home substantially damaged	206	12
5	Phase 2 - 80%–120% of AMI	253	10
6	Phase 3 - 120% of AMI to \$250,000 and above age 62, disability, and substantially damaged	8	0
7	Phase 3 - 120% of AMI to \$250,000 and above 62, disability or substantial Damaged	124	17
8	Phase 3 - 120% of AMI to \$250,000	274	19
	Grand Total	2,051	147

Blue Acres Program

According to the State’s analysis for the Blue Acres Buyout Program, there are potentially 400 households within the HUD- and State-declared MID areas that are interested in participating in the program and relocating to safer living conditions. Out of those potential households, 187 are estimated to be eligible for CDBG–DR assistance. The maximum award for each household is \$461,375. DCA will allocate \$6,330,429 of the additional funds to this program. This will bring the total Blue Acres budget from both allocations to \$22,330,429.

Tenant-Based Rental Assistance

In late February 2023, DCA began intake for the Tenant-Based Rental Assistance (TBRA) program. The program closed on June 1, 2023, with a total of 4,141 pre-applications received. The maximum assistance per household is \$20,000. Therefore, if all pre-applications were to be funded, a total of \$82,820,000 would be needed. Unfortunately, we are limited to the amount of funding that can be dedicated to TBRA because of the CDBG–DR public service cap. Due to the identified unmet need for rental assistance, the State has proposed to allocate \$22,000,000 of the additional funds, bringing the total allocation from both to \$37,000,000.

Smart Move Program

During the development of program policy and the analysis of construction cost estimates, the State has decided to allocate additional funds to the Smart Move Program. According to the State’s calculations, the average cost per house will be \$459,000. In the initial Unmet Needs Assessment, FEMA verified severe damages in HUD and State MID counties that totaled 1,088 properties. In order to replenish as much accessible, homeownership housing stock as possible, in lower-risk areas, DCA will allocate \$10,000,000 for housing construction and another \$10,000,000 to fund infrastructure in support of Smart Move housing. This will bring the total budget from both allocations to \$50,000,000.

Small Rental Repair Program

In late February 2023, DCA opened applications to its Small Rental Repair Program (SRRP). The application window closed on June 5, 2023, with the program receiving 189 applications. Although each award will be based on actual need and after a duplication of benefits calculation, the average award may be close to the program cap of \$50,000 per unit. If all of the applications were to be funded, with an average of three units per application at \$50,000 cost per unit, then there is a potential for a total need of over \$28,250,000. To help meet this need, DCA allocated \$5,000,000

¹ AMI acronym means Area Median Income

of the additional funds to this program. This will bring the total SRRP budget from both allocations to \$25,000,000.

Housing Counseling and Legal Services Program

HARP has over 2,000 applicants. It is anticipated that many of the applicants will need the services of the Housing Counseling and Legal Services Program. The rental occupants of the SRRP properties may also need the services provided by the program. For this reason, DCA will reallocate funds from the first allocation of Ida CDBG-DR funding from the Resilient NJ program and the Statewide Housing Mitigation Tool to the Housing Counseling and Legal Services program. One of DCA's highest priorities is to assist vulnerable populations and low- to moderate-income (LMI) households. By reallocating an additional \$6,000,000 from these two programs, a total of \$9,000,000 in funding will be made available. Since funds are being reallocated from the first allocation of Ida, the Housing Counseling and Legal Services Program will not receive any funding from the additional allocation. However, the Sandy CDBG-DR Action Plan will be amended to include funding for both programs. DCA feels that by having only one funding source for these programs, oversight and tracking efforts are streamlined.

Ivy Hill Storm Water Mitigation Program

After meeting with multiple community groups, elected officials and municipalities in the affected Ivy Hill area, local officials, and residents are seeking communitywide mitigation solutions to problems of repetitive flooding. During the Public Action Plan public comment period at the Newark public hearing, the State received feedback from residents requesting the addition of catch basins and drainage improvements to mitigate future flooding from disasters. Subsequent to the Newark public hearing, DCA staff engaged the Ivy Hill residents on several occasions, including attending a community meeting on March 14, 2023, where residents and other community partners were able to convey firsthand the effect the flooding had on the Ivy Hill. Officials from Essex County, the City of Newark, and South Orange Township as well as representatives from Seton Hall University were all in attendance. Newark presented efforts that were underway to better understand the cause of the flooding and potential short-term solutions.

The Ivy Hill neighborhood in Newark is in the HUD MID area of Essex County. A preliminary investigation was conducted that focused on field investigations that documented rainfall events as well as examined the history of flooding in the area. On the first day of investigation, a total rainfall event of 0.95 inches took place with a peak intensity of 0.17 inches/hour with a duration of 15 hours. This rainfall event resulted in severe ponding in the neighborhood, including covering streets and inundating sidewalks. During Tropical Storm Ida, these same areas experienced severe flooding, especially in the low-lying streets of Woodbine, Synott, and Tuxedo. The area is predominantly LMI with an overall AMI of 62.28%.

In February 2023, a CCTV scan was conducted of the existing stormwater mains in the area, and it found them to be in overall good condition. However, several had obstructions like gas lines and sewer lines transecting as well as a right-angle bend at one of the intersections. These obstructions reduce the flow of stormwater during large events.

The City has already completed several projects to prepare for a more comprehensive stormwater solution, including cleaning the stormwater main, installing flow monitoring meters, and adding additional catch basins. There is also a proposal developed to conduct a detailed analysis of the area that would provide the data for a Basis of Design Report for a long-term solution.

A budget of \$10,000,000 will be allocated to this program to address the unmet needs and mitigation concerns of the Ivy Hill residents.

D. Citizen Participation

In developing the substantial amendment to allocate the additional funding, DCA reached out to stakeholders, partners, the Governor’s office, and other State agencies.

DCA attended many community forums in the disaster-impacted areas after the initial Action Plan was approved to update residents about the progress of program launch and also to continue to hear community unmet needs in preparation for this substantial amendment to allocate additional funding to existing programs and to create new ones. In addition to meeting with residents, DCA has also met with and provided information to new and existing community partners to spread the word about eligible programming. DCA has organized meetings with local officials to hear their remaining unmet needs and to discuss Ida programs available to residents. Table 4 provides a brief description of the event and/or action and the date it occurred.

Table 4: DCA Program Outreach and Stakeholder Engagement Efforts

Event Name	Description	Date
Updated Tropical Storm Ida Recovery Registration Digital Toolkit to Announce Programs	Outreach materials in toolkit informed people that Ida recovery programs were coming very soon and urged them to fill out Tropical Ida Recovery Registration in order to receive updates about Ida recovery programs.	1/24/2023
Existing Community Partners	Virtual meeting with existing community partners to inform them that the Ida Action Plan was approved and discussed the launch date for TBRA, HARP, Housing Counseling and Legal Services, and SRRP.	1/25/2023
New Community Partners	Virtual meeting with new community partners to inform them that the Ida Action Plan was approved and discussed the launch date for TBRA, HARP, Housing Counseling and Legal Services, and SRRP.	1/30/2023 2/1/2023
Mt. Pilgrim Missionary Baptist Church – Passaic	Community outreach table at food distribution event at Mt. Pilgrim Missionary Baptist Church in the City of Passaic. The food distribution was organized by United Passaic Organization, a Community Action Program agency.	2/4/2023
Compass 82, St. Vincent de Paul, and New Jersey Voluntary Organizations Active in Disaster (NJVOAD)	Virtual meeting with disaster case managers to discuss Tropical Storm Ida recovery, the Action Plan, and the four Ida recovery programs that launching first: TBRA, HARP, Housing Counseling and Legal Services, and SRRP. Meeting hosted by Compass 82, St. Vincent de Paul, and NJVOAD.	2/22/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns regarding CDBG–DR funds and upcoming Ida recovery programs. Provided broad overview of the programming.	2/24/2023
Updated Version of Tropical Storm Ida Recovery Programs Digital Toolkit	Third version of Tropical Storm Ida Recovery Programs Digital Toolkit completed and shared with community partners, State departments/agencies, disaster case managers, and NJVOAD. Outreach materials in the toolkit inform people that Ida recovery programs have launched and provide fact sheets about the specific	2/27/2023

	programs that are now available on the DCA website in each program page.	
NJVOAD	Virtual meeting with NJVOAD membership to discuss Tropical Storm Ida recovery, the Action Plan, and the four Ida recovery programs that launched first: TBRA, HARP, Housing Counseling and Legal Services, and SRRP. NJVOAD membership includes the Affordable Housing Alliance, American Red Cross, Catholic Charities, Community Food Bank of New Jersey, Islamic Relief USA, Jersey Cares, Lutheran Social Ministries, Legal Services of New Jersey, NJ State Library, Salvation Army, etc.	3/2/2023
Ivy Hill Neighborhood Group	Community meeting with Ivy Hill (Newark) neighborhood group about flooding issues exacerbated by Tropical Storm Ida. Community meeting hosted by Seton Hall University and City of Newark.	3/14/2023
New Jersey Resource Project (NJRP)	Community meeting about Tropical Storm Ida recovery programs in Manville (Manville Public Library). Community meeting hosted by NJRP.	3/14/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Lodi, Little Ferry, Hackensack, Maywood, Saddlebrook) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	3/27/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Garfield, Hasbrouck-Heights, Elmwood Park, Wallington) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	3/29/2023
Local Government Officials (Newark)	Virtual meeting with City of Newark officials (Eric Pennington, Shakeenah Smith, Juba Dowdell, Luis Ulerio, Salimu Taylor, Melvin Waldrop, Allison Ladd) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	3/31/2023
NJRP	Community meeting about Tropical Storm Ida recovery programs in Somerville (American Legion). Community meeting hosted by the NJRP.	4/3/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (East Orange, Orange, Belleville, Montclair, Caldwell, Nutley) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/4/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (West New York, Guttenberg, Union City, North Bergen) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/5/2023

Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Bayonne, Jersey City, Kearny, Secaucus) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/6/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (New Brunswick, North Brunswick, Highland Park) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/6/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted town (Elizabeth) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/6/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Carteret, Woodbridge, Rahway) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/6/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Roselle, Roselle Park, Union) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/10/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Passaic, Clifton, Woodland Park) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/10/2023
Local Government Officials	Virtual meeting with local government officials from Ida-impacted towns (Bound Brook, South Bound Brook, Dunellen, Raritan, Somerville) regarding CDBG-DR funds and Ida recovery programs. Provided an overview of the programs available and upcoming programs.	4/10/2023
NJRP	Community meeting about Tropical Storm Ida recovery programs in Milford (The Milford House). Community meeting hosted by NJRP.	4/18/2023
NJRP	Online-only, statewide community meeting for Spanish-speaking residents about Tropical Storm Ida recovery programs. Community meeting hosted by NJRP.	4/20/2023
NJRP	Community meeting about Tropical Storm Ida recovery programs in City of Elizabeth (Make the Road NJ office). Community meeting hosted by NJRP.	4/26/2023
NJRP	Online-only community meeting for residents statewide about Tropical Storm Ida recovery programs. Community meeting hosted by NJRP.	4/26/2023
NJRP, South Ward Environmental Alliance, and Clinton Hill Community Action	Community meeting about Tropical Storm Ida recovery programs in the South Ward neighborhood of Newark (Clinton Hill Early Childhood Learning Center). Community meeting hosted by NJRP, South Ward	4/29/2023

	Environmental Alliance, and Clinton Hill Community Action.	
New Jersey Broadcasters Association	Public service announcement in English and Spanish announcing that Ida recovery programs are available and that a May 1 application deadline is approaching for some programs. PSA aired on stations at Press Communications, iHeart, Townsquare, Longport, WRRRC, WRNJ, WEMG (Mega 105.7, Spanish-language), and Audacy's 94.7 The Block.	4/24/2023 – 5/1/2023
Social Media Post	Social media posting about May 1 application deadline for HARP.	4/24/2023 - 5/1/2023

DCA has also been focusing its efforts on reaching as many potential applicants as possible. After releasing the applications for TBRA, HARP, and SRRP, DCA monitored applications received to determine if historically underserved areas within the MID areas were responding. For the HARP program, additional analysis and mapping was utilized to pinpoint areas for further outreach.

To ensure underserved areas were being reached, DCA collaborated with NJRP. NJRP is a disaster recovery advocacy organization made up of storm survivors. Ten community meetings were organized for New Jersey residents impacted by Tropical Storm Ida to get the word out about DCA's Ida recovery programs. Representatives from DCA's Division of Disaster Recovery and Mitigation participated in all the meetings, which were held in hard-hit communities, to answer questions and provide information about recovery programs such as TBRA, HARP, and the Housing Counseling and Legal Services Program. Approximately 700 people were reached across the 10 meetings.

This substantial amendment will be posted on the DCA disaster recovery website <https://www.state.nj.us/dca/> for a 30-day public comment period. It is available in English and Spanish. DCA ensured that all citizens had equal access to information, including persons with disabilities, elderly individuals, and those with limited English proficiency. Information on how to submit a comment is available in Section 1 of this amendment.

E. Grantee-Proposed Use of Funds

In consideration of remaining unmet needs identified in the Action Plan, communicated by the public and demonstrated by the number of applications received, DCA has reallocated the May 2022 Ida funds and allocated the January 2023 funds. Programs and their associated funding are listed in tables 5 and 6 below. Table 5 shows the May 2022 budget adjusted to account for the movement of \$4,000,000 from the FEMA Non-Federal Cost Share to HARP. The table also shows the May 2022 budget updated to reflect the elimination of the Resilient NJ program and the Statewide Housing Mitigation Tool with the associated funding moving to the Housing Counseling and Legal Services Program. The Resilient NJ program and the Statewide Housing Mitigation Tool will be funded with CDBG-DR Sandy funds and presented in a substantial amendment to the Sandy Action Plan.

The following paragraphs describe the newly created Resilient Multifamily Housing and Ivy Hill Storm Water Mitigation programs, the updated budgets and changes to existing programs, and the changing needs and reallocations of eliminated programs.

Table 5: Total Program Allocations for May 2022 and January 2023 Allocations

Program Category	Program	May 2022 Budget	January 2023 Budget	Total Allocation	Percentage of Total Allocation
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Housing	Homeowner Assistance and Recovery Program	\$72,928,700	\$ 38,437,121	\$111,365,821	29%
Housing	Smart Move	\$30,000,000	\$10,000,000	\$40,000,000	11%
Housing	Blue Acres	\$16,000,000	\$6,330,429	\$22,330,429	6%
Housing	Small Rental Repair Program	\$20,000,000	\$5,000,000	\$25,000,000	7%
Housing	Resilient Multifamily Housing Program	\$0	\$30,000,000	\$30,000,000	8%
Public Service	Tenant-Based Rental Assistance	\$15,000,000	\$22,000,000	\$37,000,000	10%
Public Services	Housing Counseling & Legal Services	\$9,000,000	\$0	\$9,000,000	2%
Public Service	Homeowner Assistance and Recovery Program – temporary relocation	\$0	\$10,000,000	\$10,000,000	3%
Infrastructure	Resilient Communities	\$54,000,000	\$0	\$54,000,000	14%
Infrastructure	Ivy Hill Storm Water Mitigation Program	\$0	\$10,000,000	\$10,000,000	3%
Infrastructure	Smart Move – infrastructure in support of housing	\$0	\$10,000,000	\$10,000,000	3%
Administration	Administration	\$11,417,300	\$7,461,450	\$18,878,750	5%
TOTAL		\$228,346,000	\$149,229,000	\$377,575,000	100%

Table 6: Program Allocations for January 2023 Allocation

Program Category	Program	January 2023 Budget	LMI % Goal	HUD-Identified MID Budget (%)	Grantee-Identified MID Budget (%)	Percentage of Allocation
Housing	Homeowner Assistance and Recovery Program	\$ 38,437,121	70%	80%	20%	26%
Housing	Smart Move	\$10,000,000	70%	80%	20%	13%
Housing	Blue Acres	\$6,330,429	70%	80%	20%	4%
Housing	Small Rental Repair Program	\$5,000,000	100%	80%	20%	3%
Housing	Resilient Multifamily Housing Program	\$30,000,000	100%	80%	20%	20%
Public Service	Tenant-Based Rental Assistance	\$22,000,000	75%	80%	20%	15%
Public Service	Homeowner Assistance and Recovery Program – temporary relocation	\$10,000,000	70%	80%	20%	7%
Infrastructure	Ivy Hill Storm Water Mitigation Program	\$10,000,000	70%	80%	20%	7%
Infrastructure	Smart Move – infrastructure in support of housing	\$10,000,000	70%	80%	20%	7%
Administration	Administration	\$7,461,450	N/A	80%	20%	5%
TOTAL		\$149,229,000				100%

Programs removed from the Ida Action Plan and funding reallocated:

The following programs will be removed from the Action Plan, and the funding from those programs will be moved to programs with a greater need.

FEMA Non-Federal Match Program

DCA will reallocate all funding from the original May 2022 allocation of the FEMA Non-Federal Match program to HARP. As mentioned in the Unmet Needs section, HARP is oversubscribed. This reallocation of funds is necessary in order to ensure the State can assist all eligible LMI households that applied to HARP. Therefore, DCA will eliminate the FEMA Non-Federal Match program as an eligible program. Table 7 shows the change in budget between the two programs.

By allocating an additional \$4,000,000, HARP will have a total of \$72,928,700 in funding from the first allocation. In addition, HARP will receive a budget of \$38,437,121 from the second allocation for a cumulative total from both allocations of over \$110,000,000.

Table 7: Moving Funding from the FEMA Non-Federal Cost Share to the Homeowner Assistance and Recovery Program

Program Category	Program	Current Budget	Change in Budget	Revised May 2022 Budget
Housing	Homeowner Assistance and Recovery Program	\$68,928,700	+\$4,000,000	\$72,928,700
Infrastructure	FEMA Non-Federal Cost Share	\$4,000,000	-\$4,000,000	\$0

Resilient NJ Program and Statewide Housing Mitigation Tool

DCA will reallocate all funding from the original May 2022 allocation from the Resilient NJ program and the Statewide Housing and Mitigation Tool to the Housing Counseling and Legal Services Program. Both the Resilient NJ program and the Statewide Housing and Mitigation Tool will be funded with CDBG-DR Sandy funding. Interchangeability allows Sandy funding to be used in HUD MID counties that overlap with Ida HUD MID designations. Table 8 shows the reallocation of funding from Resilient NJ and the Statewide Housing and Mitigation Tool to the Housing Counseling and Legal Services Program.

Table 8: Moving Funding from Resilient NJ and the Statewide Housing and Mitigation Tool to the Housing Counseling and Legal Services Program

Program Category	Program	Current Budget	Change in Budget	Revised May 2022 Budget
Planning	Resilient NJ	\$1,000,000	-\$1,000,000	\$0
Planning	Statewide Housing and Mitigation Tool	\$5,000,000	-\$5,000,000	\$0
Public Service	Housing Counseling and Legal Services Program	\$3,000,000	+\$6,000,000	\$9,000,000

Programs to be modified to amend program requirements and budget:

Smart Move: New Housing Development

Program	May 2022 Original Budget	January 2023 New Budget	Total Budget	HUD-Identified MID Budget	Grantee-Identified MID Budget
Smart Move: New Housing Development	\$30,000,000	\$20,000,000	\$50,000,000	\$40,000,000	\$10,000,000

Program Description

New Housing Development

The State is piloting a program that subsidizes the new development of quality, energy-efficient, resilient, affordable housing in lower-risk areas within or near disaster-impacted communities that are participating in Blue Acres or other buyout programs that are supported by different funding sources. The program aims to provide safe housing for relocating residents so they may stay in or near their communities after selling their high-risk properties.

~~(delete)~~ DCA will initially competitively select three communities to participate in the pilot. Once the eligible communities have been selected, DCA will procure private for-profit or nonprofit developers to build new housing that will be sold to qualified homebuyers and/or Blue Acres participants. In the initial pilot, DCA will prioritize qualified primary residential occupants who sold their high-risk owner-occupied homes through the Blue Acres Buyout Program. As part of the pilot, the State may, depending on the availability of funding, incorporate alternative resilient and green energy solutions into the development, including, but not limited to, fuel cells or microgrids. New construction will

meet HUD's Green and Resilient Building Standards, which require that the new building meet an industry-recognized green building standard that has achieved certification and a minimum energy-efficiency standard.

The new developments will be built outside the 500-year floodplain and the inland or coastal climate-adjusted floodplain, as defined by the New Jersey Department of Environmental Protection (DEP). The site and housing designs will include additional resilience and energy-efficiency construction standards, which will be defined in the program guidelines.

{insert} Infrastructure in Support of Housing:

The State will also fund infrastructure projects in support of Smart Move housing development. These funds will be used to build new systems or replace damaged systems that will help protect life and property and can withstand future disasters and the impacts of climate change. A budget of \$10,000,000 will be reserved for Smart Move infrastructure, which will contribute to the Mitigation Set-Aside requirement.

Occupants of the New Housing:

This project will be developed and implemented in close coordination with DEP to facilitate the relocation of Blue Acres Buyout Program participants into the new development, where feasible. DCA will manage the application prioritization, review, and award processes for residents who acquire the new units. If approved, Blue Acres participants will be expected to utilize the net amounts of their buyout and incentive funds toward their new housing development purchase. At least 70% of the homes will be sold to LMI homeowners or homebuyers.

Program Tieback to Disaster/Unmet Needs

Housing developed under this program will add resilient, energy-efficient, affordable housing stock to disaster-impacted communities that are losing housing stock that is not suitable for rehabilitation through the Blue Acres Buyout Program.

How the Program Will Promote Housing for Vulnerable Populations

The manner in which the program promotes housing for vulnerable populations includes, but is not limited to:

- **Developing energy-efficient, affordable housing in lower-risk areas for individuals relocating from high-risk areas.** One of the greatest relocation barriers for lower-income households living in high-risk areas is the availability of affordable, quality housing in lower-risk areas. This pilot program seeks to expand affordable housing choice and to rebuild financial equity for residents who have experienced repetitive losses, housing instability, and property devaluation.
- **Prioritizing LMI persons and households and relocating persons.** At least 70% of the homes must be sold to LMI households. In addition to meeting this programmatic goal, DCA will prioritize the following individuals:
 - **Priority #1:** Households participating in the Blue Acres Buyout Program within the jurisdiction of the Smart Move New Housing Development area. This priority approach provides opportunities for relocating residents to remain in lower-risk areas within their communities.
 - **Priority #2:** Ida-impacted households who are relocating through a Blue Acres Buyout Program in another jurisdiction and/or Ida-impacted qualified first-time homebuyers with incomes at or below 120% of AMI. This priority approach provides opportunities for storm-impacted homeowners and renters to relocate to lower-risk areas.
- **Providing housing counseling and legal services to residents.** These services, provided through the public services program described further below, will provide financial and housing counseling to help residents budget the housing costs in their new home. These services will help residents understand their financial obligations; the difference in cost

between their pre-storm home and the new home; and their post-award maintenance, occupancy requirements, and other award conditions.

- **Working closely with community-based organizations to conduct outreach and engagement and using the DCA survey tool to reach vulnerable populations.** DCA has created a survey specifically for feedback from Ida-impacted homeowners and renters. The survey gathers information on residents' funding needs. DCA has partnered with community-based organizations and other State agencies to advertise the survey and solicit feedback. Outreach efforts specifically for distributing this survey have and will continue to be made to reach racially and ethnically concentrated areas of poverty.
- **Minimizing the concentration of poverty.** According to DCA's Analysis of Impediments, there is a concentration of subsidized housing in neighborhoods with relatively high levels of poverty. *Concentrated poverty* refers to areas where a high proportion of residents are poor. To determine whether an area has a concentration of poverty, researchers analyze the share of people in a given geographic area (usually a census tract) living in poverty. An area is often considered poverty "concentrated" if it is in a census tract where the poverty rate is 40% or more, meaning that at least 4 in 10 people fall below the poverty line. The poverty line is lower than 30% of AMI levels in all Ida-impacted areas. This program will work with local governments and developers to identify sites to minimize concentrations of poverty.

Program Affordability Period

For each new development, at least 70% of homes constructed with these program funds are required to be occupied by LMI households.

Sale to Initial Occupant:

Because the development of these homes and neighborhoods will be funded in part (or in whole) with CDBG-DR funding, the homes can be sold to LMI buyers at an affordable price. Buyers will work with HUD-certified Housing Counselors to establish a maximum amount that they can afford. The CDBG-DR investment in the property allows developers, the State, or local governments to sell the units for less than full value, thus creating instant equity for the LMI homebuyer. The State will review the post-construction appraisal amount and ensure that no sale results in an unreasonable amount of equity for the homebuyer or return on investment for the developer.

Affordability Periods:

Affordability periods will be documented through a restricted use covenant, mortgage, or other enforceable legal and financial mechanism. Resale and recapture requirements will differ for both homeowners and homebuyers. Those are defined as follows:

- Homeowner: A resident who currently owns their home and is currently participating in a buyout program.
- Homebuyer: Those residents who were not homeowners at the time of the disaster and who meet the program definition of first-time homebuyers. The criteria below will classify a first-time homebuyer:
 - Individuals who have had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This may also include a spouse, so if either meets the above test, they are considered first-time homebuyers.
 - Single parents who have only owned a property with a former spouse while married.
 - Individuals who are displaced homemakers and have only owned with a spouse.
 - Individuals who have only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
 - Individuals who have only owned property that was not in compliance with State, local, or model building codes and that cannot be brought into compliance for less than the cost of constructing a permanent structure.

The State will detail resale and recapture requirements for homeowners and homebuyers in the program guidelines.

- Relocating Blue Acres homeowners will be subject to a 5-year occupancy period.
- For new homebuyers, the provision of housing through this development will meet the definition of new construction for homeownership, as described within 87 FR 31636. New homebuyers will follow the required minimum affordability periods within the HOME Investment Partnerships Program (HOME) requirements at 24 CFR 92.254(a)(4), as described in the table below.

Table 8: Affordability Periods, Based on Amount of Homeownership Assistance Provided to Homebuyer

Homeownership Assistance Amount per Unit	Minimum Period of Affordability in Years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Resale:

For the new homebuyer properties, the resale requirements will be recorded as a deed restriction or covenant on the property. The restrictions will ensure that if the housing does not continue to be the principal residence of the household for the duration of the property period of affordability, the housing will be made available for subsequent purchase only to a buyer whose household qualifies as an LMI household and who will use the property as the household’s primary residence.

Within the program guidelines, loan agreement, and deed restriction or covenant, the State will include language that ensures the price at resale provides the homebuyer with a fair return on investment and will ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. It also will include the details on how it will make the housing affordable to a low-income homebuyer in the event that the resale price necessary to provide a fair return is not affordable to the subsequent buyer.

Recapture:

The recapture procedures and requirements will be detailed in the program guidelines.

Program National Objective(s)

- LMI persons and households; urgent need.
- The program may use the Urgent Need national objective to provide assistance to eligible disaster-impacted applicants with incomes greater than 80% of AMI.
- The national objective will be met upon occupancy of the new homes.

Program Eligibility

CDBG-DR-Eligible Activity	New construction, {insert} construction, {insert} reconstruction, {insert} installation of public works, acquisition, clearance, and homeownership assistance; HCDA Section 105(a)1, 2, 4, 5, 9, 11, 12, 14, and 24; applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 31636).
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Geographic Eligibility:

Eligible locations include jurisdictions within:

- HUD-identified MID counties: Bergen, Essex, Hudson, Middlesex, Passaic, Somerset, and Union.
- State-identified MID counties: Gloucester, Hunterdon, Mercer, Morris, and Warren.

Additional funding will be made for Ida-impacted communities that overlap with Sandy HUD and State MID areas through the Sandy CDBG-DR-funded Smart Move Program. These eligible locations include cities and jurisdictions within the HUD-identified counties of Bergen, Essex, Hudson, Middlesex, and Union.

Eligible Developers:

Approved applicants must be experienced developers in good standing with the State. The developers or partnerships may be for-profit or nonprofit entities. Additional eligibility requirements will be described in the program guidelines and the Notice of Funding Availability (NOFA).

Eligible Developer Activities:

DCA, local governments, landlords, or other qualified organizations (e.g., public housing authorities, nonprofit organizations, community land trusts) may acquire land for development. Eligible developer costs include acquisition, demolition and clearance, soft and hard construction, resilience, energy efficiency, and other costs related to development. Specific activities will be detailed in the program guidelines and the NOFA.

Eligible Occupant Applicants:

- Homeowners whose homes were acquired through a Blue Acres Buyout Program.
- Ida-impacted renters or first-time homebuyers with household incomes at or below 120% of AMI.
- At least 70% of the homes within each development must be sold to households with incomes at or below 80% of AMI.

Eligible Occupant Activities:

- Assistance will be provided to homeowners and homebuyers, as needed, to purchase the home and make the home affordable.
- Assistance may be provided in the form of down payment assistance, a first mortgage, and/or a soft second mortgage.
- Blue Acres participants will be expected to utilize the net amounts of their buyout and incentive funds toward their new housing development purchase.

Program Definition of Second Home/Eligibility

Housing created through the Smart Move Program will be dedicated to primary residences only and not second homes. A *second home* is defined as a home that is not the primary residence of the owner, a tenant, or any occupant at the time of the disaster or at the time of application for CDBG-DR assistance.

Program Responsible Entity

New Jersey DCA

Program Maximum Assistance

New Housing Development:

DCA will fund ~~{delete} three pilot~~ communities with a ~~{delete} \$10,000,000~~ **{insert} \$15,000,000** maximum award for each. Within program guidelines and the NOFA, the State will define minimum construction standards that achieve the resilience, energy-efficiency, affordability, and quality goals of the program. The State will also publish a maximum per-unit cap in the NOFA to reflect the costs more accurately at the time of developer selection. Prior to publishing the NOFA, the State will carry out an independent cost estimate to identify the maximum assistance that is necessary and reasonable for achieving the detailed resilience, energy-efficiency, affordability, and quality construction standards. Exceptions to the maximum award and eligible expenses may be required,

and the exceptions review and approval processes will be further detailed in the program guidelines.

Occupants:

DCA and/or NJHMFA will perform an individual financial analysis of each applicant to structure the award in a manner that makes the home affordable for the occupant. The details and timing of the analysis will be provided in the program guidelines. The award may be structured as a first mortgage or as a second mortgage and may be partially forgivable upon meeting the affordability terms. Applicants may not be required to qualify for a private first mortgage as a precondition of approval.

DCA will make exceptions to the maximum award amounts when necessary, to comply with federal accessibility standards or to reasonably accommodate a person with disabilities.

Program Estimated Begin and End Dates

The State anticipates that the program will begin in the **(insert)** third quarter of 2023 and extend through project and program closeout or expiration of the grant.

Other Program Details

One goal of this pilot program is to provide proven alternative energy solutions that will reduce energy costs and address specific energy needs for post-disaster continuity of operations. Therefore, DCA may carry out alternative energy resilience projects based on such feasibility components as follows:

1. Cost to build the energy resilience project
2. Cost to operate the energy resilience project
3. Whether the project is a green energy solution
4. The extent of the environmental benefits
5. The complexity and time frame to install the project
6. The complexity to operate the project after completion
7. Whether the project will reduce residents' electrical costs
8. Whether the alternate source complements energy efficiency
9. The logistics and number of partners required to make the project implementable and sustainable
10. Whether the project can be replicated in other communities

Program Competitive Application Overview

~~(delete) DCA will competitively select two jurisdictions for the initial pilot unless there is inadequate funding to complete two projects or additional funding is available to add another jurisdiction.~~

Scoring criteria will be published in the NOFA documents and may include weighted levels of environmental site conditions, the feasibility of gaining site control, proximity to buyout or prospective buyout communities, concentrations of poverty, proximity and accessibility to infrastructure and public services, hazards, and other criteria that may impact the financial feasibility of the project and livability and safety for the occupants relocating to the new development.

Once the sites have been selected, DCA will competitively select developers to carry out housing development. Scoring criteria will be published in the procurement documents and may include weighted levels of financial reasonableness, the ability to leverage other funding, resilient design, energy efficiency, affordable units, mixed income, and location.

Program Method of Distribution Description/Overview

- DCA will administer the program and will coordinate with DEP and local governments.
- DCA may partner with NJHMFA to underwrite project developments.
- DCA may partner with NJHMFA when applicants need mortgage financing assistance when they are unable to buy the house through a private first mortgage provider.

{insert}How Mitigation Set-Aside Activities Will Meet the Definition of Mitigation

The funding provided for infrastructure costs in support of housing will increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters. The Smart Move community plans will also identify hazards, assess community needs, and describe a communitywide strategy for reducing the risks associated with natural disasters.

{insert}How Mitigation Set-Aside Activities Will Address Current and Future Risks

This program will focus on creating new infrastructure systems or repairing old systems that will mitigate flood damage by improving sewer and water systems, which will in turn make communities more resilient.

The State will include resilience performance metrics in the program guidelines and within each CDBG-DR project, as applicable. For each project, the State will establish performance metrics, including:

1. An estimate of the projected risk to the project from natural hazards, including those hazards that are influenced by climate change.
2. Identification of the mitigation measures that will address the projected risks.
3. An assessment of the benefit of the project resilience measures through verifiable data.

Programs to be added to the Ida Action Plan

The following programs will be added to the Action Plan based on the unmet needs identified earlier in the Action Plan.

Resilient Multifamily Housing Program

Program	May 2022 Original Budget	January 2023 New Budget	Total Budget	HUD-Identified MID Budget	Grantee-Identified MID Budget
Resilient Multifamily Housing	\$0	\$30,000,000	\$30,000,000	\$24,000,00	\$6,000,000

Program Description

DCA has worked with NJHMFA to design the Resilient Multifamily Housing Program. Funding will be made available for non-amortizing cash flow loans to developers of multifamily properties under NJHMFA oversight, such as but not exclusively those leveraging 9% and 4% LIHTC to offset costs associated with resilient rehabilitation that meet or exceed the standards in HUD’s CPD Green Building Retrofit Checklist.

Eligible expenses would include, but not be limited to elevating and/or floodproofing buildings, moving vulnerable equipment, installing emergency generators and/or on-site renewable generation, hardening sites, adding stormwater mitigation infrastructure such as berms, vegetation, bioswales, green roofs, blue roofs, and rain gardens, creating safe refuges, and/or performing other necessary exterior work identified by applicants in their submitted site and risk assessments.

No new construction of multifamily rental projects will be eligible.

Program Tieback to Disaster/Unmet Needs

Through this program, the State will address unmet housing recovery needs by increasing the availability of safe, sanitary, and affordable housing. The program will rehabilitate units as well as make existing rental units more resilient to future disaster events.

How the Program Will Promote Housing for Vulnerable Populations

The State is committed to reducing barriers and leading an equitable recovery from Tropical Storm Ida. The Resilient Multifamily Housing Program will help impacted residents, vulnerable populations, and members of underserved communities expedite their recovery by providing decent, affordable, clean housing options. Efforts will be made to coordinate with community-based organizations to enlist their help to reach vulnerable populations.

Program Affordability Period

The affordability requirement is for a period of 1, 3, or 5 years, determined by the amount of funding provided to each unit wherein the program-funded units must be rented to LMI tenants. The following affordability time frames apply to all assisted units:

Table 10: Affordability Periods, Based on CDBG-DR Per-Unit Award

Amount per Unit	Minimum Period of Affordability in Years
Under \$15,000	1
\$15,000-\$50,000	3
Over \$50,000	5

Either this program or NJHMFA affordability period requirements will be applied, whichever is longer.

Affordable Rents:

Units that are intended to meet an LMI national objective in a project must be rented to persons of verified LMI income and subject to the 65% HOME rent limits (published annually by HUD) for the affordability period.

Restrictive Covenants:

To ensure that projects are completed per program requirements, applicants must agree to a restrictive covenant being recorded on the property through the affordability terms. The affordability period will be documented through a non-amortizing cash flow loan and restricted use covenant. Both will be in place until the end of the affordability period or until the loan is paid in full.

Program National Objective(s)

Low- to Moderate-Income Housing (LMH) or Urgent Need will be used to meet a national objective for this program. To meet the LMH national objective, 51% of units must be occupied by LMI households. CDBG-DR funds can pay for multifamily rental new construction when less than 51% of the units will be occupied by LMI households; however, a minimum of 20% of all occupants must be LMI households. Where LMI occupancy is between 20% and 50%, the CDBG-DR funds must not exceed the percentage of LMI households to occupy the units. CDBG-DR funds that provide assistance to the LMI units will meet the LMH national objective. If less than 20% LMI occupancy is achieved, Urgent Need will be the determined national objective.

Program Eligibility

CDBG-DR-Eligible Activity

rehabilitation, reconstruction, elevation, and lead-based paint and clearance; HCDA Section 105(a)1, 2, 4, 5, 11, 14, 15 and 25; applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 31636), other applicable waivers or alternative requirements.

Geographic Eligibility:

Eligible locations include jurisdictions within:

- HUD-identified MID counties: Bergen, Essex, Hudson, Middlesex, Passaic, Somerset, and Union.
- State-identified MID counties: Gloucester, Hunterdon, Mercer, Morris, and Warren.

Eligible Applicants:

Eligible applicants are owners of multifamily buildings who are subject to NJHMFA oversight or are part of NJHMFA's tax credit portfolio. Additional eligibility requirements will be described in the program policy.

Eligible Activities:

Eligible activities include demolition and clearance, soft and hard construction, resilience measures, energy efficiency, and other costs related to development. Specific activities will be detailed in the program policy.

Eligible Beneficiaries:

The program's beneficiaries will be current and future renters. The property owner/developer will be responsible for ensuring the ratio of LMI units is maintained for the affordability period.

Program Definition of Second Home/Eligibility

Housing created through the Resilient Multifamily Housing program will be dedicated to primary residences only and not second homes. A *second home* is defined as a home that is not the primary residence of the owner, a tenant, or any occupant at the time of the disaster or at the time of application for CDBG-DR assistance.

Program Responsible Entity

NJHMFA

Program Maximum Assistance

There is a \$3,500,000 maximum award for each property. Within program policy, the State will define minimum construction standards that achieve the resilience, energy-efficiency, affordability, and quality goals of the program. The State will also publish a maximum per-unit cap in the application to reflect the costs more accurately at the time of developer selection. Prior to publishing the application, the State will carry out an independent cost estimate to identify the maximum assistance that is necessary and reasonable for achieving the detailed resilience, energy-efficiency, affordability, and quality construction standards. Exceptions to the maximum award and eligible expenses may be required, and the exceptions review and approval processes will be further detailed in the program guidelines.

Program Estimated Begin and End Dates

The State anticipates that the program will begin in the first or second quarter of 2024 and extend through project and program closeout or expiration of the grant.

Ivy Hill Storm Water Mitigation Program

Program	Budget	HUD-Identified MID Budget	Grantee-Identified MID Budget
Ivy Hill Storm Water Mitigation Program	\$10,000,000	\$10,000,000	\$0

Program Description

The Ivy Hill Storm Water Mitigation Program will address the currently undersized stormwater culverts and areas of poor drainage and infiltration. A particular area of focus will be to redirect and capture the excess surface runoff that flows to Woodbine Avenue. The funds will address unmet needs remaining in the Ivy Hill area of Newark in Essex County and will help the neighborhood become more resilient to current and future hazards.

Program Tieback to Disaster/Unmet Needs

The Ivy Hill neighborhood was impacted by Tropical Storm Ida. This project addresses unmet recovery and mitigation needs for public infrastructure in a HUD-identified MID.

How the Program Will Advance Long-Term Resilience

This project will have natural hazard risk reduction benefits that will mitigate the risk to public infrastructure, will incorporate nature-based solutions, and has already demonstrated proof of public outreach to participate in the project design.

How the Program Will Address Disaster-Related Systems and Stormwater Systems

As described in the Unmet Needs Assessment, there are many infrastructure needs resulting from Tropical Storm Ida that are not covered by FEMA's Public Assistance Program or Hazard Mitigation Grant Program. Program funds will be used to mitigate flooding caused by the effects of Tropical Storm Ida in order to protect life and property and provide mitigation benefits by withstanding future disasters and the impacts of climate change.

Program National Objective(s)

Assistance provided under this program will meet the national objectives of benefiting LMI persons or households or addressing an urgent need.

The Urgent Need national objective will be used when an eligible recovery or mitigation project does not meet an LMI national objective.

Program Eligibility

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, 12, and 14; applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 31636), other applicable waivers or alternative requirements.
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- Geographic Eligibility: HUD-identified MID county of Essex

Eligible Applicant:

Funding will be awarded to the City of Newark to be used only within impacted areas.

Eligible Activities:

Activities may include acquisition, planning, project scoping, and pre-construction as well as construction and installation of drainage improvements to promote recovery 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.

Program Responsible Entity

City of Newark

Program Maximum Assistance

\$10,000,000 will be allocated to the Ivy Hill Storm Water Mitigation Program to address the currently undersized stormwater culverts and areas of poor drainage and infiltration.

Program Estimated Begin and End Dates

This project will be funded in the first quarter of 2024.

Program Method of Distribution Description

DCA will directly allocate all funds to the City of Newark through a subrecipient agreement to ensure completion of the project. The administration of the project will be a joint effort between the City of Newark and DCA. DCA takes an active role in program management, working directly with City officials and staff in a collaborative and coordinated fashion. DCA retains the decision-making authority for each project. Consequently, DCA will work closely with City officials and partnering authorities to ensure completion of this project.

How Mitigation Set-Aside Activities Will Meet the Definition of Mitigation

This funded stormwater infrastructure project will increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.

How Mitigation Set-Aside Activities Will Address Current and Future Risks

This project will be evaluated qualitatively to assess how it will reduce future disaster risks in the community and address climate change and other future conditions as they relate to critical services to the community.

The State will include resilience performance metrics within this project, which will include:

1. An estimate of the projected risk to the project from natural hazards, including those hazards that are influenced by climate change.
2. Identification of the mitigation measures that will address the projected risks.
3. An assessment of the benefit of the project resilience measures through verifiable data.

SECTION 3: CERTIFICATIONS

- A. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with CDBG–DR grant funds that fulfills the requirements of Section 104(d), 24 CFR part 42, and 24 CFR part 570, as amended by waivers and alternative requirements.
- B. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.
- C. The grantee certifies that the Action Plan for disaster recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG–DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations as modified by waivers and alternative requirements.
- D. The grantee certifies that activities to be undertaken with CDBG–DR funds are consistent with its Action Plan.
- E. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, as such requirements may be modified by waivers or alternative requirements.
- F. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.
- G. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 or 91.105 (except as provided for in waivers and alternative requirements). Also, each local government receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in waivers and alternative requirements).
- H. State grantee certifies that it has consulted with all disaster-affected local governments (including any CDBG entitlement grantees), Indian tribes, and any local public housing authorities in determining the use of funds, including the method of distribution of funding, or activities carried out directly by the State.
- I. The grantee certifies that it is complying with each of the following criteria:
- J. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas for which the President declared a major disaster pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.).
- K. With respect to activities expected to be assisted with CDBG–DR funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.
- L. The aggregate use of CDBG–DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 70% (or another percentage permitted by HUD in a waiver) of the grant amount is expended for activities that benefit such persons.
- M. The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG–DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

- N. Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or
- O. For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).
- P. State and local government grantees and political subdivisions certify that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and that it will affirmatively further fair housing. An Indian tribe grantee certifies that the grant will be conducted and administered in conformity with the Indian Civil Rights Act.
- Q. The grantee certifies that it has adopted and is enforcing the following policies, and, in addition, State grantees must certify that they will require local governments that receive their grant funds to certify that they have adopted and are enforcing:
 - R. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
 - S. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
- T. The grantee certifies that it (and any subrecipient or administering entity) currently has or will develop and maintain the capacity to carry out disaster recovery activities in a timely manner and that the grantee has reviewed the requirements applicable to the use of grant funds.
- U. The grantee certifies to the accuracy of its Financial Management and Grant Compliance Certification Requirements, or other recent certification submission, if approved by HUD, and related supporting documentation as provided in section III.A.1. of the Consolidated Notice and the grantee's implementation plan and related submissions to HUD as provided in section III.A.2. of the Consolidated Notice.
- V. The grantee certifies that it will not use CDBG–DR funds for any activity in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA's most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision are the State, local, and tribal government land use regulations and hazard mitigation plans and the latest-issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.
- W. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
- X. The grantee certifies that it will comply with environmental requirements at 24 CFR part 58.
- Y. The grantee certifies that it will comply with the provisions of title I of the HCDA and with other applicable laws.

SECTION 4: SUMMARY OF PUBLIC RESPONSE

Before Substantial Action Plan Amendment is submitted to HUD, this section will be a summary of the public comments received and the responses.