Resilient Communities Program Frequently Asked Questions (FAQs) Updated 12/14/2023



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Disclaimer

FAQs are written to accurately and consistently reflect all published policies and application materials. In the event that a FAQ below does not completely comport with the Policy Manual, NOFA, or Application Materials, the Policy Manual, NOFA, and Application Materials govern any decision. Please read all published guidance and requirements carefully.

New questions marked with (NEW)





Eligible applicants

1. Are any local governments within the listed counties eligible?

Yes, 87 FR 31636 establishes the following counties as most impacted and distressed and requires the State to use funds to address unmet disaster needs or mitigation activities within them. Projects proposed by eligible entities—which include local government bodies—within the following counties are eligible for RCP funding:

- Bergen
- Essex
- Gloucester
- Hudson
- Hunterdon
- Mercer
- Middlesex
- Morris
- Passaic
- Somerset
- Union
- Warren

2. Can a business or nonprofit organization apply to the program?

No. Homeowners, businesses, and nonprofit organizations cannot apply directly to RCP; however, they may partner with an eligible entity in their area to assist in developing an application that reflects their priorities for mitigation.

Eligible activities

3. What activities are eligible under RCP?

Examples of basic eligible activities for which RCP funds may be used include, but are not limited to, the following:

- Acquisition
- Disposition
- Public facilities and improvements
- Clearance and remediation
- Public services
- Property acquisition and demolition
- Structure elevation
- Construction or reconstruction of infrastructure
- Installation of public works, facilities
- Structural retrofitting
- Infrastructure retrofits
- Site or other improvements
- Dry floodproofing

Activities must ultimately result in a completed project that provides benefit to the community through mitigation of hazard risk and must meet a HUD National Objective. Specifically, this program provides funding for acquisition, construction, reconstruction, or installation of public works, facilities, and sites or other improvements, described in the Housing and Community Development Act at sections 105(a)1, (a)2, (a)4, (a)9, and (a)12.

4. Do upgrades to stormwater interceptors qualify as an eligible activity for RCP?

Yes, stormwater management upgrades can qualify as an eligible activity provided that the objective of the activity meets HUD's definition of "mitigation" as specified in 87 FR 31636, which states: "those activities that 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."







In addition, mitigation activities must address one or more of the current and future risks identified in New Jersey's Hurricane Ida CDBG-DR Action Plan. See Question 13 on types of natural hazards. See also Question 3 on eligible activities.

5. Is the purchase of equipment an eligible program cost?

In general, the purchase of equipment is ineligible unless authorized specifically under special provisions of 24 Code of Federal Regulations (CFR) § 570.203. Applicants with specific requests are encouraged to inquire with the Department of Community Affairs (DCA) about eligibility.

6. Is the purchase of backup electrical generators for critical community facilities an eligible expense?

Fixed generators for the purpose of providing electrical redundancy as part of making critical facilities more resilient to an anticipated hazard that is identified in the State's Mitigation Needs Assessment (see Question 13) would be an eligible expense. Applicants proposing this use of funding must document how the expense responds to the mitigation needs of the community, including why the facility is critical to the community and description of the population it serves, and the anticipated outcomes of funding this expense, in addition to any other information required regarding the proposed activity as part of the application. See also Question 3 on eligible activities.

7. Is lake/river dredging an eligible activity? Is this activity eligible by itself or only as part of a larger project?

Yes, dredging projects can be eligible provided that the objective of the activity meets the U.S. Department of Housing and Urban Development's (HUD) definition of "mitigation" as specified in 87 Federal Register (FR) 31636, which is "those activities that 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." Activities must ultimately result in a completed project that provides benefit to the community through mitigation of hazard risk and must meet a HUD National Objective. In addition, mitigation activities must address one or more of the current and future risks identified in New Jersey's Hurricane Ida CDBG-DR Action Plan. See Question 13 on types of natural hazards. See also Question 3 on eligible activities.

8. Are bulkheads included as an eligible activity and project for RCP?

Bulkheads are included as an eligible activity and projects may receive points for incorporating nature-based solutions such as a vegetative buffer. Projects funded under RCP must meet the definition of "mitigation" as specified in 87 FR 31636, which is "those activities that 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." In addition, mitigation activities must address one or more of the current and future risks identified in New Jersey's Hurricane Ida CDBG-DR Action Plan. See Question 13 on types of natural hazards. See also Question 3 on eligible activities.

9. Do bank stabilization projects for streams/rivers qualify for RCP?

Yes, bank stabilization can qualify as an eligible activity provided that the objective of the activity meets HUD's definition of "mitigation." Projects funded under RCP must meet HUD's definition of "mitigation" as specified in 87 FR 31636, which is "those activities that 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." In addition, mitigation activities must address one or more of the current and future risks identified in New Jersey's Hurricane Ida CDBG-DR Action Plan. See Question 13 on types of natural hazards. See also Question 3 on eligible activities.

10. Would construction of a new Department of Public Works facility constitute an eligible project?

Per HCDA 105(a)(2), construction of new public works or public facilities can qualify as an eligible activity, under RCP, however, buildings for the general conduct of government, such as department offices, would not be an eligible use of funds. Further, projects funded under this program must meet HUD's definition of "mitigation," constructed for the purpose of reducing the risk of a current and/or future disaster identified in New Jersey's Hurricane Ida CDBG-DR Action Plan Mitigation Needs Assessment. See Question 13 on types of natural hazards.







DCA sets broad eligibility requirements that allow applicants to develop mitigation projects that best suit their community's needs. Activities must ultimately result in a completed project that provides benefit to the community through mitigation of hazard risk and must meet a HUD National Objective. Applicants should read the policies and application requirements carefully to understand all criteria that must be met for a project to be eligible. This FAQ should not be interpreted as final approval of a public works facility. DCA must review a complete project application to determine whether any activity is eligible for funding. See also Question 3 on eligible activities.

11. Can we use RCP funds to construct a new firehouse for the local fire department?

Per HCDA 105(a)(2), construction of new critical public facilities can qualify as an eligible activity, under RCP, however, facilities must meet HUD's definition of "mitigation," constructed for the purpose of reducing the risk of a current and/or future disaster identified in New Jersey's Hurricane Ida CDBG-DR Action Plan Mitigation Needs Assessment. Fire stations that respond to localized fire emergencies, which are not identified within the State's mitigation needs assessment, would not necessarily be eligible. See Question 3 on eligible activities. See also Question 13 on types of natural hazards.

DCA sets broad eligibility requirements that allow applicants to develop mitigation projects that best suit their community's needs. Activities must ultimately result in a completed project that provides benefit to the community through mitigation of hazard risk and must meet a HUD National Objective.

Applicants should read the policies and application requirements carefully to understand all criteria that must be met for a project to be eligible. This FAQ should not be interpreted as a final approval for any proposed activity. DCA must review a complete project application to determine whether any activity is eligible for funding.

12. We'd like to fund an infrastructure project on private property. Is this eligible?

Under this program, construction or reconstruction of public facilities or public infrastructure is an eligible activity, however, CDBG program rules broadly interpret public infrastructure and facilities to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public. Therefore, improvements to private properties would not be an eligible use of funds under this program. DCA cannot approve or reject proposed activities without first reviewing comprehensive information about a project. Project eligibility will only be determined upon the submission of an application and an evaluation of the proposed project in its entirety. Furthermore, the projects will be scored competitively which means that not all projects may be funded. Applicants with questions about eligibility are encouraged to seek additional guidance by reaching out to DCA.

Natural Hazards/Mitigation

13. What types of hazards should projects seek to mitigate or reduce risk?

Mitigation activities funded through this program must address one or more of the current and future risks identified in New Jersey's Hurricane Ida CDBG-DR Action Plan, which include the following:

- Coastal erosion/sea level rise
- Dam/levee failure
- Earthquakes
- Floods (riverine, coastal, storm surge, tsunami, and stormwater flooding caused by local drainage and high groundwater levels)
- Geological hazards (landslide and subsidence/sinkholes)
- Hurricanes and tropical storms
- Nor'easters
- Severe weather (high winds, tornadoes, thunderstorms, hail, and extreme temperatures)
- Severe winter weather (snow, blizzards, and ice storms)
- Wildfire

14. How do applicants convey that their proposed project responds directly to the impact of Ida or mitigates risk by lessening the impact of future storms?

RCP funds mitigation activities that address the impacts of the disaster, as well as mitigation activities that respond to other identified natural hazard risks.







Per the application form, applicants to the program must state whether proposed projects respond directly to disaster-related risks and impacts, or projected hazard risks derived from a risk-based needs assessment, specifically risks described within the New Jersey's Hurricane Ida CDBG-DR Action Plan Mitigation Needs Assessment or a local Hazard Mitigation Plan. Applicants must provide a description of the need (disaster impact and/or hazard risk) that the proposed project responds to and must provide citation to documentation of the need, such as the state's CDBG-DR Action Plan, Unmet Needs Assessment, Mitigation Needs Assessment, or Hazard Mitigation Plan and detailed information. Additionally, applicants should describe how the project responds to natural hazard risks and the anticipated outcomes that result from completing the project. Subrecipients ultimately awarded funding through this program will be asked to provide documentation of how a project responds to a disaster- or mitigation related need. See also Question 13 on types of natural hazards.

National Objective

15. Can an application be submitted for a project that does not meet an LMI National Objective?

Each Activity must meet one of HUD's National Objectives of benefiting LMI persons or households *or* addressing an urgent need. Projects that meet an LMI National Objective will be prioritized for funding to help the state meet its overall LMI benefit requirements, but projects that meet the urgent need National Objective can still be eligible for funding.

Activities that meet the urgent need National Objective must respond to a serious need resulting from Tropical Storm Ida and alleviate conditions that pose a serious, immediate threat to the health or welfare of the community. Applicants are required to describe how the project responds to an urgent need resulting from the disaster within the application form, and subrecipients ultimately awarded funding through this program will be asked to provide documentation of how a project funded under this category responds to an urgent disaster-related impact.

16. How does a project meet the LMI Area National Objective?

Activities may meet the LMI Area National Objective if the activity will benefit all the residents of a primarily residential area where at least 51 percent of the residents are low- and moderate-income persons. Such area-benefit activities include things such as parks, neighborhoods facilities, public infrastructure, roads and bridges, community centers, and streets that serve all residents of a community.

For some communities with few or no areas that meet this threshold, HUD authorizes an exception criterion enabling activities to meet a LMI Area National Objective with a lower threshold. Applicants proposing activities with a service area located within one of the exception communities (either Exception Counties or Exception Cities) listed in the LMI Area Worksheet can qualify activities as LMA using the FY22 Minimum Exception Criteria.

Any project that benefits an area located within an exception entitlement community can meet the LMI Area National Objective if it benefits all the residents of a primarily residential area where a minimum percent of residents are low- and moderate-income persons.

Planning/Pre-construction

17. Are planning and design costs reimbursable through the program?

Costs associated with **pre-award** activities, including project planning, project design, project scoping, site plans, or environmental review undertaken prior to grant execution, are ineligible for reimbursement. However, the planning, design, and scoping expenses of the project (i.e., activities that contribute directly to the completion of the project funded through the Resilient Community Program (RCP) grant) that are incurred **after** execution of the grant agreement are eligible expenses under the program and can be reimbursed with RCP funds.

18. If we have received grants or awards from other State-funded planning programs, are we eligible to take part in this program?

Yes, the program encourages applicants proposing a project generated from a separate planning grant to apply for funding to complete the project. Applicants who demonstrate that the proposed project in its application was generated from a State or federal planning grant program will be awarded 5 points toward their overall score. Such a program might include the following:







- Resilient NJ
- Federal Emergency Management Agency (FEMA) Hazard Mitigation Assistance Project Scoping Award
- Applicant is a past recipient of Building Resilient Infrastructure and Communities (BRIC) non-financial Direct Technical Assistance
- Other State or federal planning grant award, as approved by DCA.

Please note that this program has a three-year period of performance, so projects that are closer to implementation or "shove-ready" will receive preference points.

Applicants are reminded that Section 312 of the Stafford Act prohibits grantees from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support. Funds from RCP should be used to supplement, not supplant funding from other sources that is available for the proposed project.

Project Scope

19. Can an eligible applicant partner with a neighboring community to complete a project that is mutually beneficial to both communities?

Yes, this practice is encouraged and is included in the scoring criteria. Leveraging partners allows applicants to access complementary strengths from neighboring communities, nonprofit organizations, and private partners. This potentially helps the applicant from a cost basis and serves the local community's greater good. Please note that only one eligible entity—cities, townships, counties, special governing districts, or federally recognized tribal governments as defined in the Policy Guidelines—can be the primary applicant to the program. Other jurisdictions contributing to the effort should be identified as partners and documented within the application as appropriate. The service area of the project must be located within one of the most impacted and distressed counties identified within the Policy Guidelines.

20. What is the maximum award from the program?

The maximum award available through the program will be \$5 million per project. Please note that this award cap is not a limit on the total project cost. Applicants may plan for higher cost project budgets using funding from other sources. DCA encourages applicants to include a contingency budget item should project expenses change during the course of implementation, especially for applicants requesting the maximum amount possible under this program.

Project Timeline

21. Can we request funding for a project that has already begun construction?

Generally, no. RCP prohibits funding for projects that have already begun construction or initiated any choice-limiting actions as defined at 24 CFR 58.22. The intent of RCP is to enable communities to implement community infrastructure projects that reduce the risk of future hazards while optimizing outcomes for vulnerable communities and the natural environment. Projects should be derived through careful consideration of public feedback, the impact on vulnerable populations and ecosystems, and with the aid of formal cost-effectiveness methods, which are described in detail in the application materials. These priorities are central to the overall goals of the program and may not have been part of the process used to develop projects already underway. Many application requirements lead applicants through a careful planning process, and these requirements will have no purpose if construction projects have already begun. Furthermore, RCP is funded through the State's CDBG-DR grant allocated by HUD, which carries specific environmental and other federal rules and regulations. Projects that have already been designed, contracted for construction, or started construction are unlikely to achieve compliance with all federal rules and regulations.

The risk of non-compliance is too great for DCA and increases the likelihood of recapture of funds later in the process. To reduce the risk of non-compliance and ensure that applicants have undergone the desired planning process necessary to meet the overarching goals of the program, DCA has decided to prohibit funds for projects that have progressed beyond construction start.

Please note, projects that have not begun, but are a component of a larger multi-phase construction project that has already started **may** be considered under this program on a case-by-case basis. Applicants wishing to apply for funding for a component of a larger project that has already started should inquire at ResilientCommunities@dca.nj.gov.







22. Because we do not anticipate putting this project out for bid until next year, what is an acceptable turnaround time for the proposed project? For a shovel-ready project?

Shovel-ready status is a component of the RCP scoring criteria. Projects that are near ready to begin construction will receive additional points. However, **all** proposed schedules must indicate that the project can be completed within 3 years of execution of a grant agreement, regardless of current status.

Budget

23. Is a grant match required from the municipality as part of the RCP?

Although there is no grant match requirement for RCP, the program will provide preference through the scoring criteria for applications that include financial and non-financial partnerships. Applicants should develop a feasible budget including RCP funds, local funds, and any committed sources outside of RCP. Commitments of funding sources should be documented and included within the application.

Applicants are reminded that Section 312 of the Stafford Act prohibits grantees from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support. Funds from RCP should be used to supplement, not supplant funding from other sources that is available for the proposed project.

Grant Agreement

24. Can we review the grant terms and conditions to ensure our project is compliant with all rules and regulations?

The DCA is currently developing a standard grant agreement with Terms and Conditions for awards under this program, however the final version is not yet available to share. Further, each project awarded funds will have a slightly unique set of terms and conditions that will not be finalized until the grant is executed. The standard terms and conditions of grant agreements will be derived from policies and regulations described in public documents currently available for review. Applicants interested in previewing requirements of the funding should carefully review the CDBG-DR Federal Register Notice (describing the award of funds to the state of New Jersey), the Hurricane Ida Action Plan (describing New Jersey's use of CDBG-DR funds), and the RCP Policy Guidelines (which describe the policies and requirements of the program). Please also refer to the FAQs for questions about eligible activities and mitigation activities, specifically Question 3 on eligible activities and Question 13 on mitigation.

Application Requirements

25. When filling out the application form, must we limit the length of our responses to the size of the text box for each question, or can we attach additional text if we'd like to add more information?

Responses to questions within the application and supporting documents are limited in length by the document. Any text or attachments beyond those explicitly described within the application instructions will not be considered in the evaluation of the proposed project. These limitations are imposed to ensure timely and efficient review of applications as well as to ensure each applicant receives fair treatment in the evaluation of their proposal.

26. If I have questions about the application, who should I ask?

We request that all questions be submitted in writing to ResilientCommunities@dca.nj.gov so that we may prepare responses in writing and ensure they are posted in the FAQs section of the DCA website.

Citizen Participation Requirements

27. What requirements are there for holding public hearings before application? During the course of project implementation?

Previously, the Program policies, application form, and instructions stated that applicants to the Resilient Communities Program must solicit public comment on the proposed project prior to submitting an application and could do so through either a live public hearing or posting information about the project on the applicant's public website.

Both HUD requirements and New Jersey's Citizen Participation Plan for the CDBG-DR grant state that local governments submitting an application for CDBG-DR funding must hold a minimum of one live public hearing followed by a 14-day







public comment period prior to the application deadline on December 20, 2023. Therefore, the previous policy and requirements allowing for only publicly posted information about the project do not meet minimum HUD and state requirements for citizen participation.

To reflect this change, we have published updated versions of the Resilient Communities Program Policy Manual, RCP Application Form, RCP NOFA, and the RCP Instructional Webinar. Updated documents are posted on the RCP webpage.

In addition, applicants who are ultimately awarded funds and enter into a grant agreement as subrecipients of the State's CDBG-DR grant are required to adhere to the requirements for local governments stated in the Citizen Participation Plan at Section V. Jurisdictions must develop a Citizen Participation Plan and are required to provide a minimum of two public hearings, each during a different stage of the program. Hearings conducted as part of the application phase of this Program may be used to fulfill the requirements of the Citizen Participation Plan provided that they meet the criteria stated in the State Citizen Participation Plan.

Please reach out to the DCA Resilient Communities leadership team at ResilientCommunities@dca.nj.gov if you have any questions about this change.

28. If we held a public hearing with advertisement before the application but as part of the project planning process, would that qualify, or would a new meeting need to be held?

You would need to advertise and hold a new meeting to ensure compliance by discussing the source of funds and when to apply to the Resilient Communities Program. The meeting will need to also address the following:

- Hearings must cover community development and housing needs (including affirmatively furthering fair housing), the needs for LMI households, other development and housing needs, and how the potential activity will address that need.
- Hearings must also cover the development of proposed activity and application including when the application will
 be submitted, requested amount of funds, location of the project, and plans to minimize displacement of persons
 and businesses as a result of the funded activity.

29. Can the content provided in a public notice be different from what is submitted in an application?

The content provided in the public notice hearing can be more general from your final application submission. The purpose of the public hearing is to notify the public of the plan and solicit feedback on a concept that may ultimately change. Since this isn't a final presentation of the project plan, but rather, a part of the planning process, the final project funding and design may evolve before submission to DCA. Further the design and funding may change after selection for award up through grant agreement execution. Applicants may present alternative proposals during their hearing and may continue the planning process afterwards.

30. Are there specific requirements for publishing a public notice in the newspaper? Is a legal ad required or will a print ad suffice?

Please consult the updated RCP policy documents on the <u>DCA website</u> which includes the precise requirements for the public hearing notice. The meeting notice should be posted in a newspaper with general circulation and on the applicant's website a minimum of 5 days prior to the hearing and must include the following:

- The type(s) of project(s) to be undertaken.
- The source(s) of funds (i.e., CDBG-DR funds)
- · The amount of funding requested.
- The date by which comments must be made.
- A contact person from whom to obtain a copy of the proposed application.
- Accommodations for non-English-speaking citizens in cases where 5% of residents speak Spanish.







Duplication of Benefits

(NEW) 31. Is it a duplication of benefits if the City applies for RCP funds if it has already been awarded or identified alternate funding?

RCP funds are subject to the DCA's Duplication of Benefits policy. Section 312 of the Stafford Act prohibits any entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal or other support. Therefore, RCP subrecipients are required to disclose all other benefits (received or anticipated) for the proposed project to ensure that the RCP funds do not duplicate other federal, state, or local funds awarded for the same purpose.

Further, RCP funds are subject to the program's Subrogation Policy. CDBG-DR funds are intended to assist grantees in responding to disaster recovery needs that are otherwise unmet through other sources of funding; they are a "last resort" funding source. Subrecipients must agree to subrogate (commit to the State) any future payments they may receive after the award amount is determined from sources that represent a potential DOB. The grant agreement requires subrecipients to notify the State if additional funds are received. The State will conduct a DOB analysis, and if the funds received are deemed duplicative, the applicant is required to return the RCP funds to the State.

The city can apply for RCP funds for the project but must agree to notify the state of any funds awarded or allocated for the project in the future. If such funds are awarded, a DOB analysis may indicate that the RCP funds are duplicative and must be returned to the State.

Disaster Tie-Back

(NEW) 32. Is there a requirement for projects to respond to disaster related impacts?

Under this allocation, CDBG-DR funds can be used for eligible mitigation activities that address the impacts of the disaster, as well as eligible mitigation activities that respond solely to mitigation needs identified within the Mitigation Needs Assessment of the CDBG-DR Action Plan. As such, RCP projects may address unmet recovery and mitigation needs in HUD-identified and State-identified MIDs related to Hurricane Ida or may choose to propose mitigation activities responding to other types of natural hazards identified in the Mitigation Needs Assessment. See HUD Guidance: https://www.hud.gov/sites/dfiles/CPD/documents/CDBG-DR_Mitigation_Set-Aside.pdf, and see also question 13, regarding eligible mitigation activities. Applicants must state within the Application form whether proposed projects respond directly or indirectly to Ida-related risks, impacts, and needs or projected hazard risks unrelated to Ida, and provide citation to documentation of the need, such as the state's CDBG-DR Action Plan, Unmet Needs Assessment, or Mitigation Needs Assessment.

Please note, per the award allocation, New Jersey can award no more than 15% of its CDBG-DR grant to activities that do not respond to disaster-related needs. In order for the State to comply with HUD's disaster tie-back requirements, DCA will consider whether a proposed project responds to impacts of Tropical Storm Ida in its award decisions.

Environmental Review

(NEW) 33. Do we need to conduct an Environmental Review for our proposed project?

Projects awarded funds through RCP must comply with applicable Federal and State environmental rules and regulations, however projects need not complete necessary environmental assessments *prior* to application.

To achieve compliance and ultimately receive funds for project construction, subrecipients that are in a grant agreement with NJ must determine the appropriate level of environmental review for a project (e.g., environmental impact statement, environmental assessment, categorically excluded subject) and establish an Environmental Review Record (ERR) to support environmental clearances, in coordination with DCA.

Applicants need not start the environmental review process until grant agreement execution but are encouraged to begin earlier if local resources permit. Once an application is submitted for RCP funding, subrecipients are prohibited from initiating choice-limiting actions as defined at 24 CFR 58.226 until the ERR is approved and the Notice to Proceed is provided by DCA. Choice-limiting actions include acquisition, demolition, site clearance, bidding, and construction. Applicants will be permitted to continue planning and design efforts up to 30% of design in order to initiate an ERR. DCA staff will oversee the environmental compliance process and provide guidance to subrecipients as needed.





