

New Jersey Department of Community Affairs

SUPERSTORM SANDY COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY

Public Law 113-2, January 29, 2013

FR-5696-N-01; March 5, 2013

FR-5696-N-06; November 18, 2013



ACTION PLAN AMENDMENT NUMBER 10

NON-SUBSTANTIAL AMENDMENT FOR FINANCIAL AND PERFORMANCE PROJECTIONS

Inclusive of the Second CDBG-DR Allocation – Action Plan Amendment #7

DATE SUBMITTED TO HUD: August 28, 2014

DATE APPROVED BY HUD: September 10, 2014

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Richard E. Constable, III
Commissioner



**Non-Substantial Action Plan Amendment Number Ten to Superstorm Sandy Disaster Relief
Appropriation, Public Law 113-2, 2013**

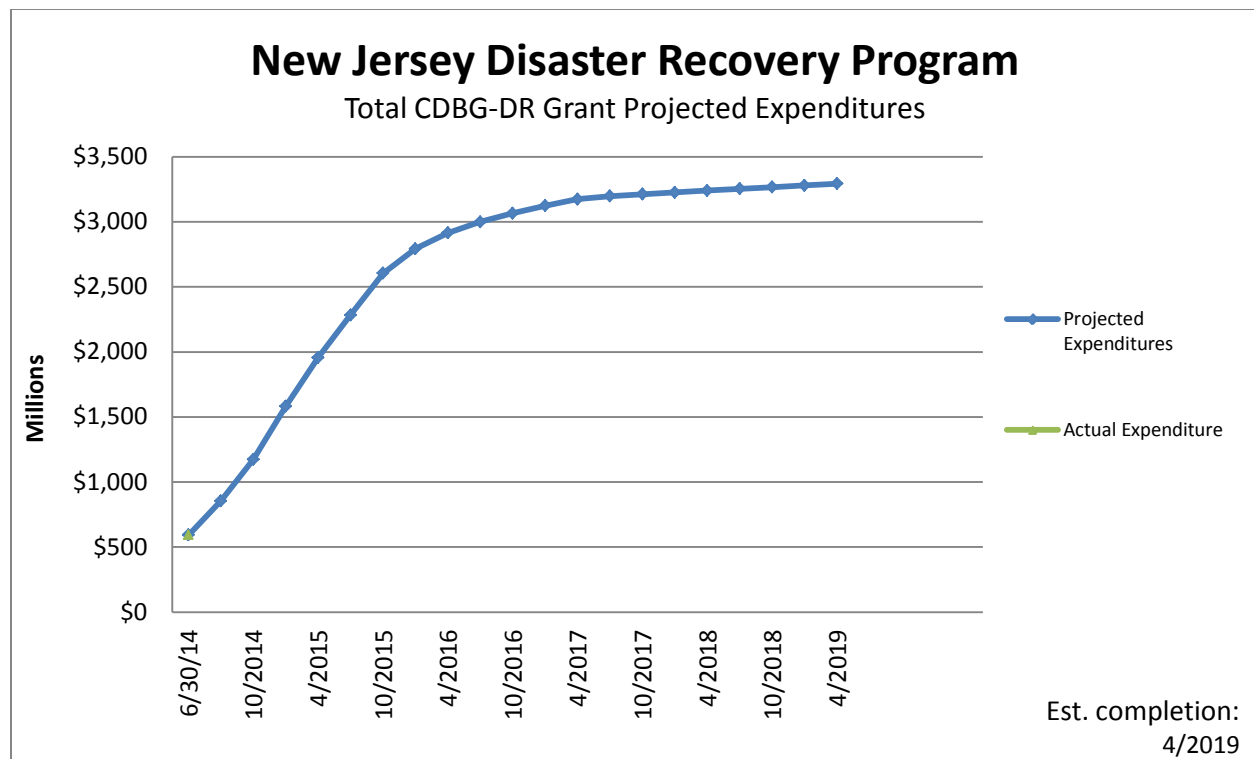
I. OVERVIEW

This **Action Plan Amendment (APA) Number 10** to the State's approved Action Plan is in compliance with the Federal Register Notice [FR-5696-N-06] issued on November 18, 2013, in which the State received a second allocation of CDBG-DR funds in the amount of \$1,463,000,000. The Notice requires that a Grantee "amend its published Action Plan to update its projections of expenditures and outcomes within 90 days of its Action Plan Amendment approval." The State received formal approval from HUD of the submitted Action Plan Amendment Number Seven for the second allocation of CDBG-DR funds on May 30, 2014.

Further, the Notice states that "amending the Action Plan to accommodate these changes is not considered a substantial amendment." As a non-substantial amendment, the Non-Substantial Action Plan Amendment Number Ten will be posted on the DCA website in accordance with HUD requirements.

II. EXPENDITURE PROJECTIONS

- A. The *Total Projected Expenditures* chart demonstrates the timeline for the projected expenditures of the New Jersey CDBG-DR grant funds approved by HUD as of May 30, 2014 in the amount of **\$3,292,520,000**. The programs included in the allocation are described in detail in the State's approved Action Plan and ensuing Amendments. The second allocation is described in Action Plan Amendment Number Seven, and includes programs responsive to the assessed infrastructure and resiliency needs throughout the State.



Notes on Methodology:

DCA as the designated Grantee tracks the projections and expenditures of all activities identified in the Action Plan, as well as the allowable administration and planning costs. The State receives projections from each program lead or subrecipient agency of CDBG-DR funds to confirm their program's financial and performance projections by quarter through final close out.

The State has adjusted projections going forward to reflect the actual expenditures to date, as reported in the most recent Quarterly Performance Report (QPR), April 1, 2014 – June 30, 2014.

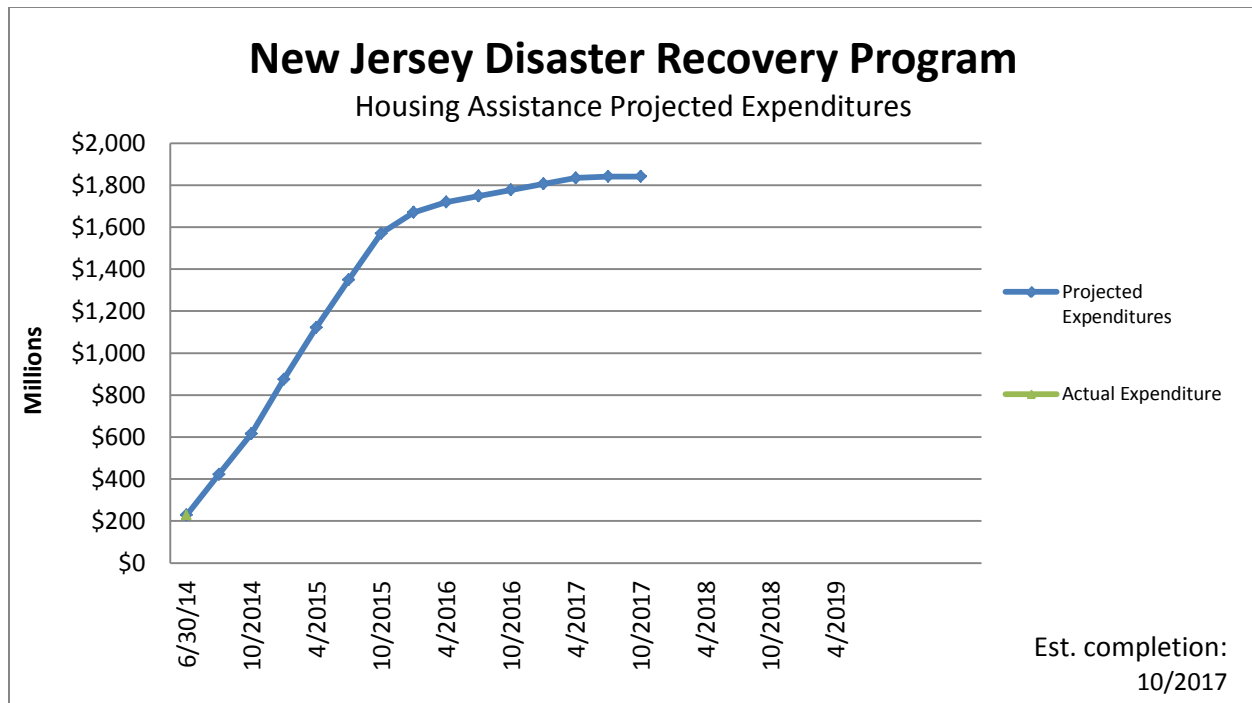
Assumptions for Projected Expenditure Charts:

- Categories for rolling up expenditures in the following charts were defined by HUD in the Explanatory Guidance related to completing the projections. DCA has included a list of programs for each graphical representation included in the financial projections as aggregated to meet the HUD prescribed categories.
- The program budgets that are reflected in the charts in sections B and C are inclusive of direct project costs and activity delivery costs which include necessary environmental and historic clearances, title reviews, program management and reporting. Activity delivery costs in general are between 15-20% of total program funds. Each program budget that is managed by a subrecipient agency also assumes a cap of 0.5% for administrative costs that according to HUD guidelines cannot be considered part of activity delivery, such as monitoring, audit, general services, etc.
- The Administrative and Planning chart in section C represents the overall grant and fiscal management projected expenditures. Administration costs have a cap set by HUD at 5% of the total grant funds.

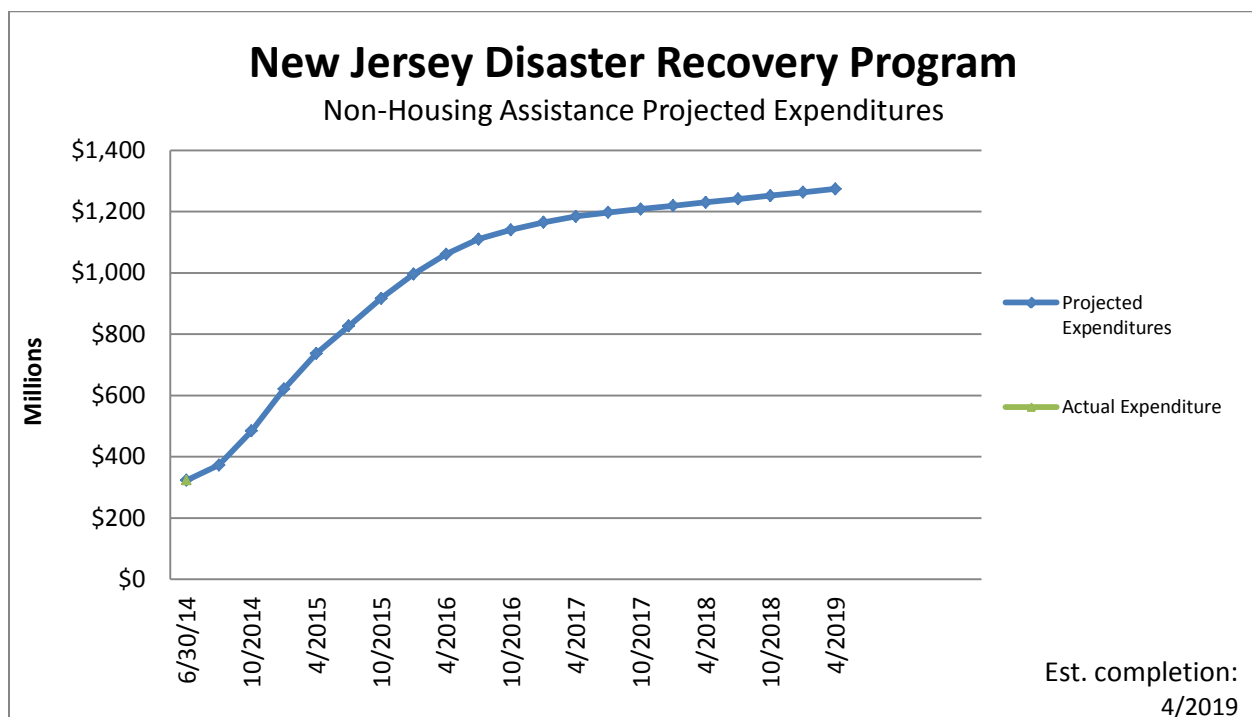
As of August 2014, the State has distributed over \$650 million directly to benefit homeowners, businesses, rental households and communities continuing to recover and building resiliency to the impact of future storms. The State continues to prioritize assistance to low-and-moderate income households and to those areas identified as most severely impacted by Superstorm Sandy.

- B. The *Housing Assistance Projected Expenditures* chart demonstrates the projection for the funds that are in programs targeted to provide recovery assistance in the housing sector. Programs for housing assistance are comprised of the homeowner and rental assistance programs.

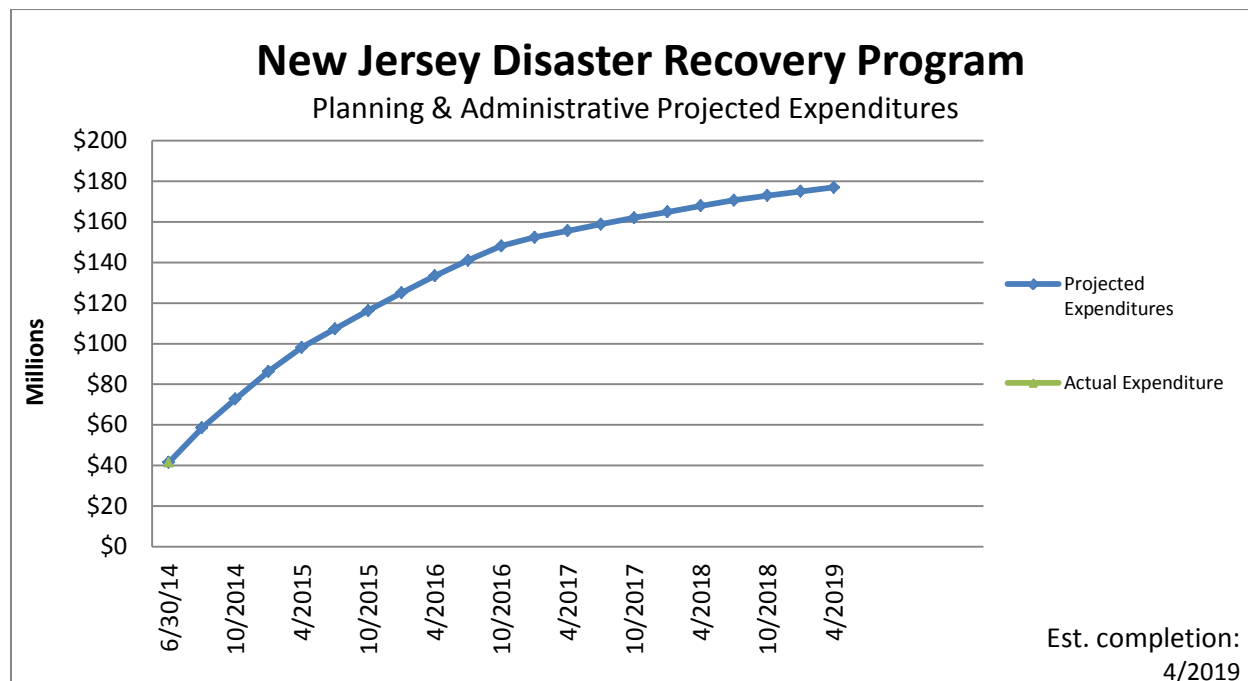
The programs include Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM), LMI Homeowners Rebuilding Program, Blue Acres Buyout Program, Landlord Rental Repair Program, Multi-family Affordable Rental Housing, Special Needs Affordable Rental Housing, Neighborhood Enhancement, Lead Hazard Reduction and Homelessness Housing assistance in the form of Tenant-Based Rental Assistance.



- C. The *Non-Housing Assistance Projected Expenditures* chart demonstrates the projected expenditures in the recovery programs considered to be non-housing, including those under Economic Revitalization, Support for Government Entities, Infrastructure and non-housing Supportive Services initiatives such as case management and mosquito programs. The Incentives for Landlords and Housing Resettlement Incentive grants are also considered in the *non-housing* category, as determined by HUD, since the grants are not dedicated for direct housing construction activities.



- D. The *Planning and Administrative Projected Expenditures* chart demonstrates the projected expenditures for planning activities, as well as those expenditures related to administration, reporting oversight and monitoring of all programs funded by the CDBG-DR funds. This includes the Predevelopment Loan fund for affordable rental housing planning as well as the Virtual New Jersey (vNJ) information management planning tool.



III. PERFORMANCE PROJECTIONS

In line with the categories prescribed by the HUD template, performance projections have been grouped among several programs to represent the determined outcomes.

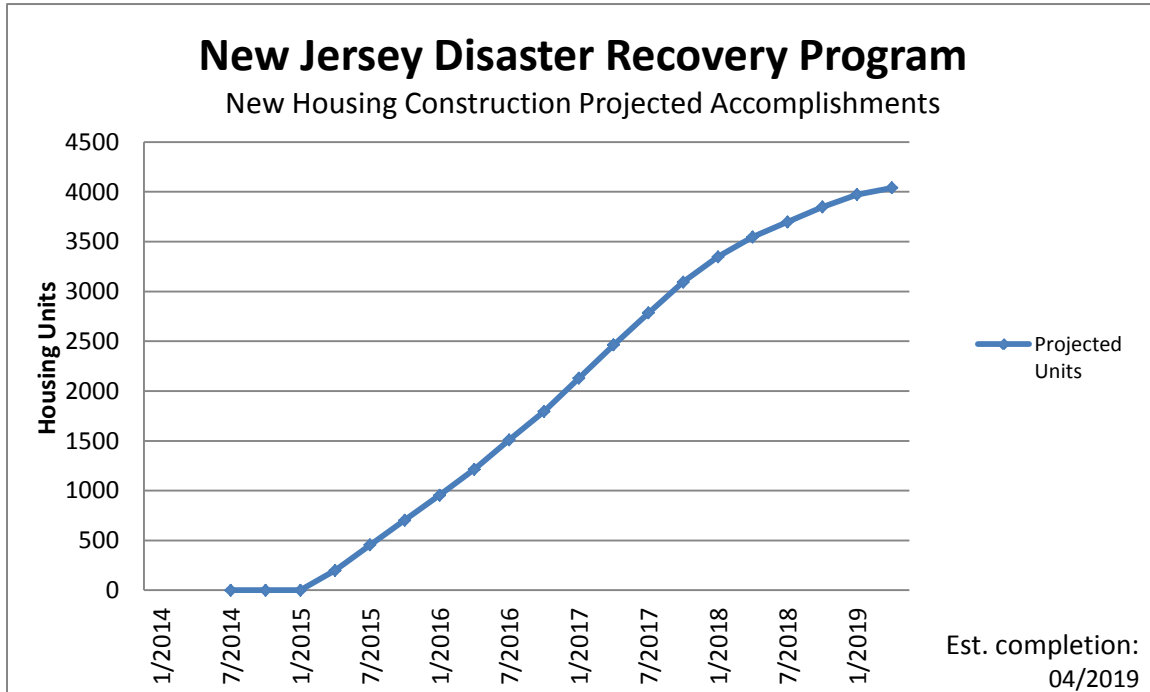
Notes on Methodology:

Program managers and subrecipients were directed to report anticipated performance goals for each quarter until all program funds are expended. While there are many performance measures, the charts represented in Section III reflect the performance measure groupings specified by HUD in the guidance for projections. The State has adjusted projections going forward to reflect the actuals-to-date, as reported in the most recent Quarterly Performance Report (QPR), April 1, 2014 – June 30, 2014.

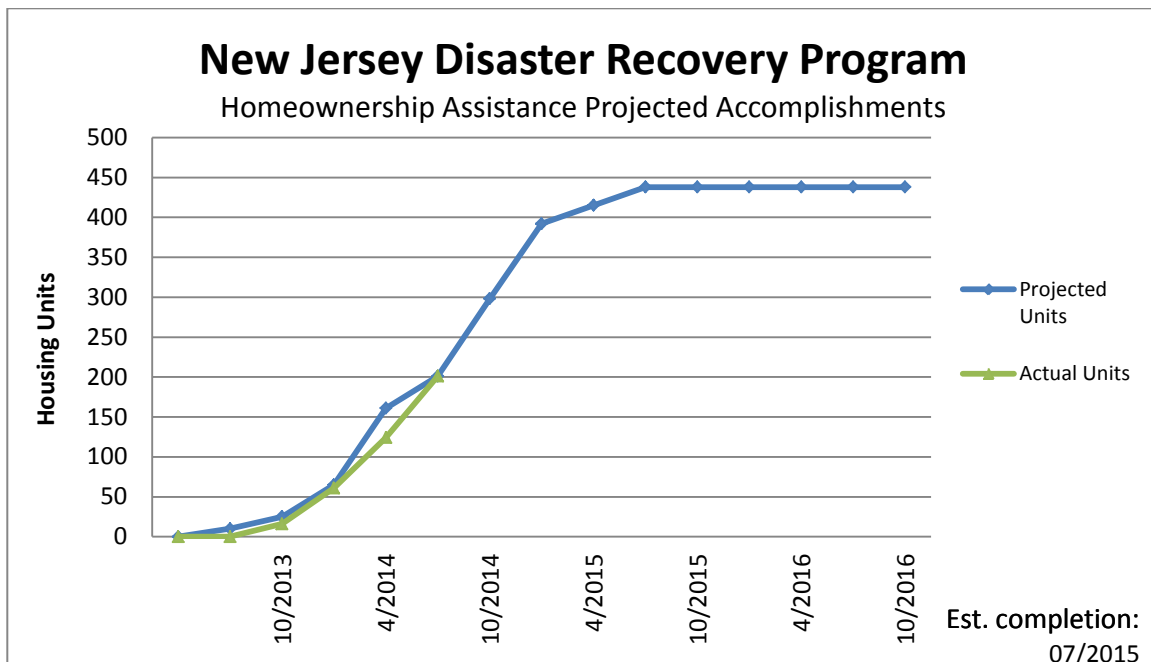
Assumptions:

- Categories for rolling up performance indicators were defined by HUD and cut across programs. DCA has included a list of programs for each graphical representation included in the performance projections as aggregated to meet the HUD prescribed categories.
- Performance is linked to the financial projections; but, in line with HUD requirements, the performance results are only noted once completed and the national objective attained. The Performance Projections reflect the date at which the objective is considered met. For instance, new housing units under the multi-family affordable housing program are counted only when they complete tenant occupancy, although the financial projections would reflect funds spent on construction. Similarly, housing rebuilding and infrastructure construction may show funds expended but the performance measure is only achieved upon completion.

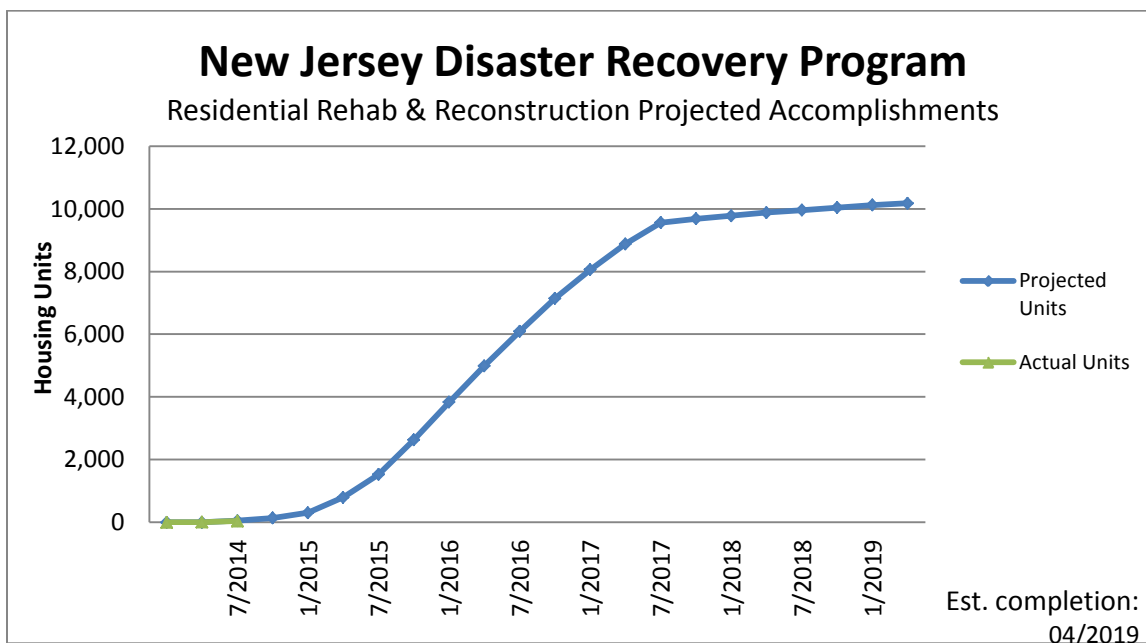
- A. The *New Housing Construction Projected Accomplishments* chart demonstrates performance projections for programs that will result in the construction of new housing units. This includes Multi-family Affordable Rental Housing, Special Needs Affordable Rental Housing and the Neighborhood Enhancement Programs, which will create new housing units.



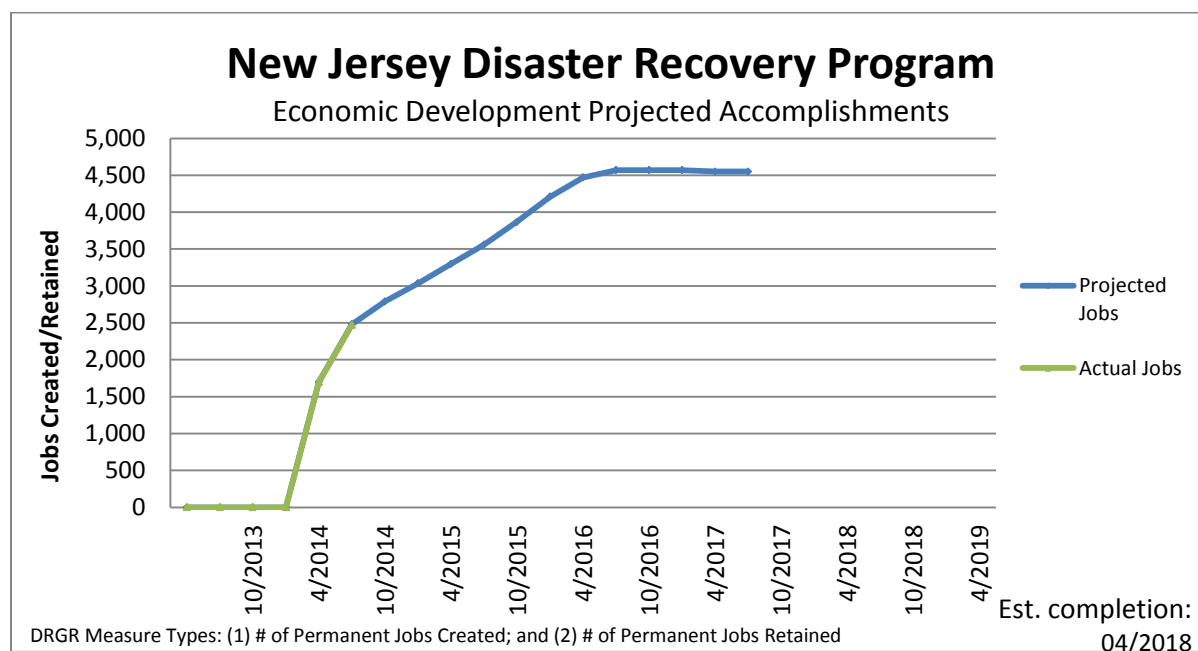
- B. The *Homeownership Assistance Projected Accomplishments* chart demonstrates the projected outcomes for the program designated to assist renters and homebuyers with the ability to move towards homeownership. This includes the Sandy Homebuyer Assistance Program.



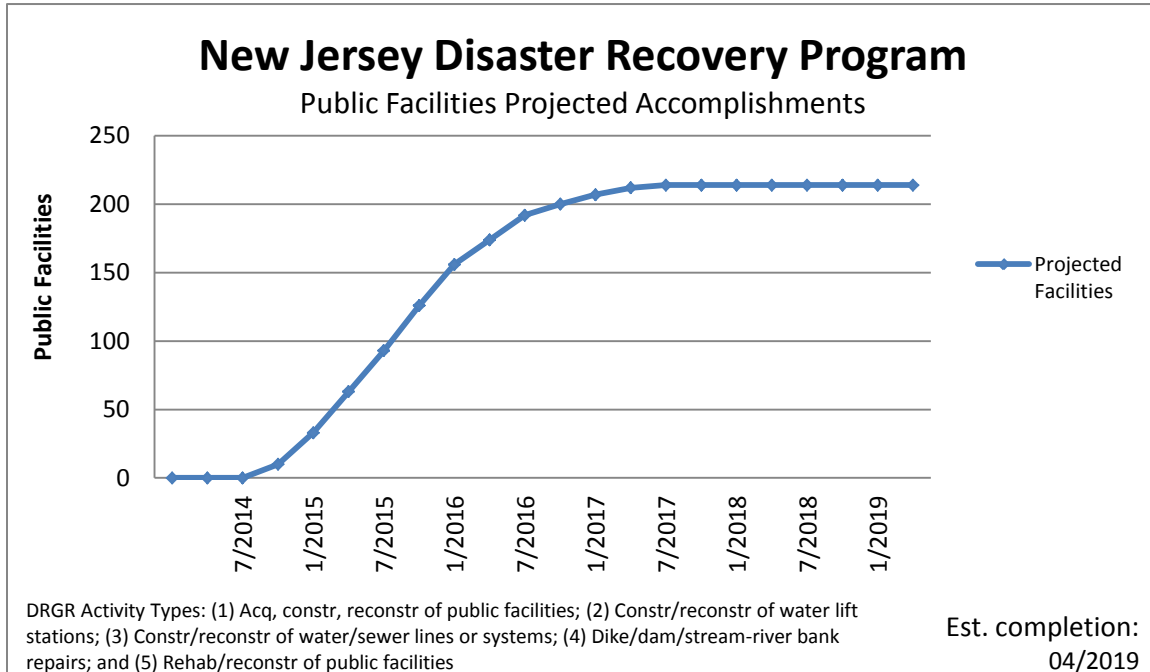
- C. The *Residential Rehabilitation & Reconstruction Projected Accomplishments* chart demonstrates the projected number of units that will benefit from the recovery programs for rehabilitation and reconstruction of existing rental and homeowner properties. This includes Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM), LMI Homeowners Rebuilding Program, Landlord Rental Repair Program, Multi-family Affordable Rental Housing, Special Needs Affordable Rental Housing, Neighborhood Enhancement and Lead Hazard Reduction.



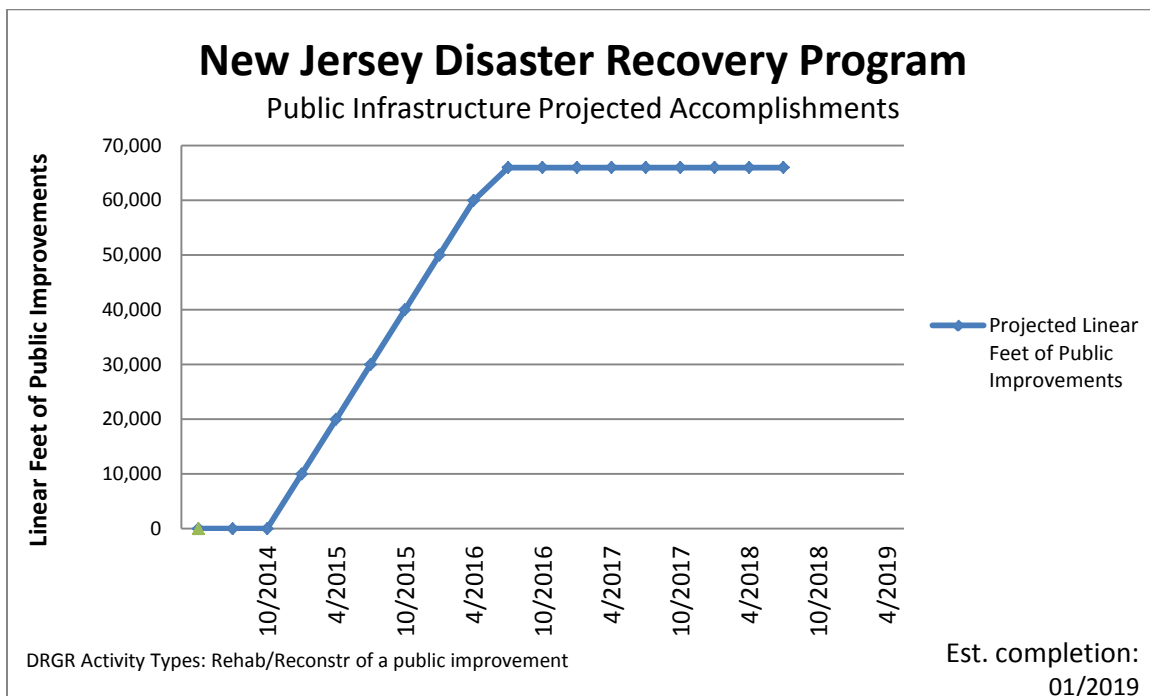
- D. The *Economic Development Projected Accomplishments* chart demonstrates the projected outcome of the economic development and revitalization programs. This includes the Grants and Forgivable Loans to Small Businesses, Direct Loans to Small Businesses and Neighborhood and Community Revitalization.



- E. The *Public Facilities Projected Accomplishments* chart represents projected outcomes for recovery programs designed to assist with repair and improvements to public facilities through the use of FEMA match and infrastructure programs. This includes the Energy Resilience Bank and the Flood Hazard Mitigation Program.



- F. The *Public Infrastructure Projected Accomplishments* chart represents projected outcomes for recovery programs designed for rehabilitation to critical public infrastructure. This includes non-federal match program related to the road repairs and improvements.



- G. The list represents several performance measures and outcomes projected for recovery programs not represented in the previous sections.

PUBLIC SERVICES & OTHER	TOTAL
Projected governmental units assisted to address essential services needs	32
Projected Households Assisted – Resettlement Incentive Grant	18,569
Projected Affordable Units Assisted – Landlord Incentive	701
Projected Properties for Acquisition – Blue Acres Buyout Program	300
Projected Local Plans Developed (Planning Grants to Local Governments)	75
Projected Number of governmental units (non-business) assisted – Neighborhood and Community Revitalization Program; FEMA Match; DOH & DEP Mosquito Surveillance and Education;	63
Projected Number of building inspections	69,500
Projected Properties for Acquisition of Easements - Flood Hazard Risk Reduction	500
Projected Number of Homelessness Housing Tenant-Based Rental Assistance Households	1,450

ATTACHMENT A

The HUD Template (excel file) of Quarterly Projections of financial expenditures and performance is included as Attachment A to this APA Number 10.