

# 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

FR-5696-N-11; October 16, 2014



## **ACTION PLAN AMENDMENT NUMBER 38**

### **NON-SUBSTANTIAL AMENDMENT**

- **Transferring Funds to Administration**
- **Transferring Funds to Planning**
- **Transferring Funds to the Rental Assistance Program**
- **Clarifying the Flood Hazard Risk Reduction & Resiliency Measures (Easement Acquisition) Program**

DATE SUBMITTED TO HUD: October 27, 2020

DATE RE-SUBMITTED TO HUD: November 10, 2020

DATE APPROVED BY HUD: November 17, 2020

Philip D. Murphy  
Governor

Lt. Governor Sheila Y. Oliver  
Commissioner



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

**I. Overview**

The purpose of this Action Plan Amendment (APA) Number 38 is to transfer Community Development Block Grant – Disaster Recovery (CDBG-DR) funds for administrative and planning costs, as well as to the Rental Assistance Program. This Amendment also clarifies the parameters of the Flood Hazard Risk Reduction and Resiliency Measures Program.

**II. Action Plan Modification**

**A. Transfer of Funds to Administration**

| <b>Table A: Transfer of Funds to Administration</b> |                                     |                           |                                    |
|---|-------------------------------------|---------------------------|------------------------------------|
| <b>Approved New Jersey Plan Program</b>             | <b>Activity Previous Allocation</b> | <b>Amount of Transfer</b> | <b>Activity Revised Allocation</b> |
| Non-Federal Cost Share (FEMA Match) Program         | \$81,000,000                        | (\$6,000,000)             | \$74,700,000 <sup>a</sup>          |
| LMI Homeowners Rebuilding Program                   | \$54,294,758                        | (\$2,000,000)             | \$51,359,800 <sup>b</sup>          |
| Administration (General)                            | \$187,013,364                       | \$8,000,000               | \$195,013,364                      |

<sup>a</sup> Inclusive of the \$300,000 transfer to the Rental Assistance Program

<sup>b</sup> Inclusive of the \$966,631 transfer to Planning.

The State proposes to reallocate \$8M to allow for the continued general management, oversight and coordination in disbursing CDBG-DR funding for recovery programs. Section VI(10)(b) of Federal Register (FR) Notice 5696-N-01 provides that the aggregate total of funding spent on Program Administration Costs must not exceed five percent of the aggregate CDBG-DR funding awarded to a Grantee. In reallocating \$8M, the State remains below the five percent cap HUD has placed on program administration costs.

The funds come from a surplus in Non-Federal Cost Share (FEMA Match) Program and the LMI Homeowners Rebuilding Program. The reallocations will not affect the ability of those programs to meet their objectives.

## B. Transfer of Funds to Planning

| Table B: Transfer of Funds to Planning |                              |                    |                             |
|--|------------------------------|--------------------|-----------------------------|
| Approved New Jersey Plan Program       | Activity Previous Allocation | Amount of Transfer | Activity Revised Allocation |
| LMI Homeowners Rebuilding Program      | \$54,294,758                 | (\$934,958)        | \$51,359,800*               |
| Resettlement                           | \$202,983,754                | (\$65,042)         | \$202,918,712               |
| Planning                               | \$4,386,405                  | \$1,000,000        | \$5,386,405                 |

\* Inclusive of the \$2,000,000 transfer for Administration.

The State is increasing its investment in planning efforts in order to realize creative mitigation and resilience solutions. The funds come from surpluses in the LMI Homeowners Rebuilding Program and Resettlement Program and do not affect the ability of those programs to meet their obligations to homeowners.

## C. Transfer of Funds to the Rental Assistance Program

| Table C: Transfer of Funds to Rental Assistance Program |                              |                    |                             |
|---|------------------------------|--------------------|-----------------------------|
| Approved New Jersey Plan Program                        | Activity Previous Allocation | Amount of Transfer | Activity Revised Allocation |
| Non-Federal Cost Share (FEMA Match) Program             | \$81,000,000                 | (\$300,000)        | \$74,700,000*               |
| Rental Assistance Program                               | \$17,847,310                 | \$300,000          | \$18,147,310                |

\* Inclusive of the \$6,000,000 transfer for Administration.

The Rental Assistance Program (RAP), overseen by the Housing and Mortgage Finance Agency, provides up to \$1,300 per month in temporary rental assistance for homeowners completing construction through the RREM Program and the LMI Homeowners Rebuilding Program. Forecasts for RAP continue to be refined as some homeowners, previously forecasted to need less assistance, now require the maximum assistance of forty months. Therefore, RAP requires an additional \$300,000 to assist the remaining homeowners while they complete what is left of their construction.

The funds are provided from a surplus in the Non-Federal Cost Share (FEMA Match) Program and do not affect the ability of that program to meet its obligations.

## D. Clarifying the Flood Hazard Risk Reduction & Resiliency Measures Program

To restore the beaches and coastal infrastructure damaged by Sandy, the State has taken several steps to pave the way for the Army Corps to begin construction previously designed and congressionally authorized projects on an accelerated schedule. Prior to beginning

construction, the Army Corps requires that the State acquire the necessary property rights, or easements, to allow for the construction of coastal risk reduction measures. The State has worked hand-in-hand with community leaders to encourage homeowners to voluntarily provide easements to allow projects to be constructed to benefit their neighbors and larger communities. Where easements are not provided voluntarily, State Executive Order 140 directed the State's Attorney General to take legal action to acquire the necessary easements to build dunes and construct engineered beaches along the New Jersey coastline. In some cases, it was necessary to acquire some easements through condemnation actions.

Although the property interests have been acquired and the projects have been constructed, condemnation cases have been and will continue to be uncertain. The State has developed a settlement strategy that has yielded more consistent results and has been deemed necessary and reasonable in order to resolve these cases prior to the expiration of funds from the Disaster Relief Appropriation Act of 2013, Public Law 113-2.