

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



ACTION PLAN AMENDMENT NUMBER 5

NON-SUBSTANTIAL AMENDMENT FOR THE FOLLOWING:

- Clarification to Section 4.5 Supportive Services Program
- Clarification to Section 4.3.3 Neighborhood and Community Revitalization Program related to CDFIs
- Clarification to Section 4.2.6 Sandy Special Needs Housing Fund

DATE SUBMITTED TO HUD: December 10, 2013

DATE APPROVED BY HUD: December 15, 2013

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

I. OVERVIEW

The purpose of this **Action Plan Amendment (APA) Number 5** to the State’s approved Action Plan is to provide non-substantial clarifications to the identified program areas as detailed in the document. This amendment is considered non-substantial since these clarifications and additions do not involve a new allocation or transfer/re-allocation of funds, do not create a new program, and do not change program benefits or eligibility criteria. As a non-substantial amendment, there is no requirement for a public comment period. The amendment will be posted on the DCA website in accordance with HUD requirements.

II. ACTION PLAN CLARIFICATION/MODIFICATION

A. Clarification to the 4.5.1 Supportive Services Program

The approved Action Plan establishes that the Department of Community Affairs (DCA) “will administer the Supportive Services Program to deliver grants for critical supportive services needs that have been increased as a result of the storm” (Section 4.5.1). After the initial design of these programs, the U.S. Department of Health and Human Services awarded the New Jersey Department of Human Services a \$226,000,000 Disaster Social Services Block Grant (SSBG) to support social and health services targeted to the residents of New Jersey’s most impacted areas. With the receipt of SSBG funding as a recovery resource to address various health and social services activities, the State reassessed and shifted focus among approved areas of the Supportive Services Program.

This Amendment clarifies that CDBG-DR funds under the Supportive Services Program will be targeted to the purpose of supporting housing choice vouchers providing rental assistance to households without housing as a result of Superstorm Sandy. This assistance is an eligible public service cost under the eligible activities listed in the Supportive Services Program. Use of funds in this manner prevents homelessness among low income residents in storm-impacted counties; a listed activity in the Supportive Services Program.

The following insertions are made to clarify the intent of the established program, to include providing funding to prevent homelessness in impacted communities.

Section 4.5.1 Supportive Services Program is amended as follows:

Lead Agency: DCA will administer the...**{insert at the end of paragraph}** *DCA will directly manage or establish agreements for effective management of the programs with state agencies and eligible entities, including the Departments of Health and Environmental Protection.*

Eligible {insert} Entities {delete} Applicants: {insert} *Department of Community Affairs; Department of Children and Families; Department of Health; Department of Human Services; Department of Environmental Protection.*

Process: DCA **{insert}** or eligible entities will receive applications **{insert}** for eligible projects and programs. DCA may also directly administer programs and take applications from eligible households. ~~**{delete}** from eligible departments to serve persons with special needs.~~

Eligible activities under this program **{insert}** may include, but are not limited to projects that:

- Provide funding to prevent homelessness among low income residents of the nine most impacted counties **{insert}** and other disaster-impacted counties. This will include supporting housing choice vouchers provided in response to the needs of displaced LMI families.

B. Clarification to Section 4.3.3 Neighborhood and Community Revitalization Program to note the state’s intention to allow for the eligible Community Development Finance Institutions (CDFIs) to qualify as 105(a)(15) non-profits.

Under Section 4.3.3 Neighborhood and Community Revitalization, it is stated that funding provided to a CDFI for the purpose of lending to small businesses is not intended to be restricted to revolve for CDBG purposes only once loans are repaid, if the CDFI is designated as a Community Based Development Organization (CBDO). The section of the federal Housing and Community Development Act relating to CBDO designation is located within Section 105(a)(15) and provides similar requirements to the CBDO designation. Because the section is a more general reference, the State will amend Section 4.3.3 of the Action Plan to add Section 105(a)(15) nonprofit as more descriptive of the described intention.

Clarification is in the following paragraph of Section 4.3.3 of the Action Plan as noted:

These funds will be administered directly by NJEDA.... Funding described above is intended to revolve for CDBG purposes once loans are repaid, unless administered by a CDFI designated as a Community Based Development Organization (CBDO) **{insert}** or as a 105(a)(15) nonprofit, as applicable.

Eligible Applicants: Eligible entities will include redevelopment agencies, municipalities, businesses and nonprofits, including CDFIs, CBDOs, **{insert}** and 105(a)(15) nonprofits.

C. Clarification to Section 4.2.6 Sandy Special Needs Housing Fund Eligible Activity

The scope of the Special Needs Housing Fund remains the same. However, the original Action Plan made a notation of some, but not all, of the applicable eligible activities to accomplish the stated goals of developing affordable housing. Clarification is provided here to identify all applicable eligible activities.

Eligibility: Section 105(a)(8) HCDA; **{insert}**105(a)(2); 105(a)(4).