

Alternative Funding Sources
To repair damage from storms and flooding -- July 12 to July 23, 2004
in Burlington and Camden Counties
resulting in
FEMA Disaster #1530-NJ
Declared by the President on July 16, 2004

AGENCY: U. S. Small Business Administration (SBA)

Disaster Area 1 Office
360 Rainbow Blvd. S.
Niagara Falls, New York 14303-1192
1-800-659-2955
www.sba.gov

LOAN PROGRAM: These are **SBA Disaster Assistance Loans**. SBA disaster loans must be used to pay for disaster related repairs. Loan assistance is limited to the uninsured or underinsured portion of the loss and cannot be used to pay for deferred maintenance items, other non-disaster repairs, or any upgrades to the property unless such upgrades are code required.

Before SBA will disburse any loan funds, we must have confirmation that all the money necessary to complete the repairs is available. Therefore, we must have documentation supporting the total project cost of the repairs and the amount of anticipated funds from other sources, including insurance recoveries, to pay for the repairs.

WHO SHOULD APPLY: SBA Disaster Business loans of up to \$1.5 million are available to Homeowner Associations (HOAs), Planned Unit Developments (PUDs), Cooperatives (Co-Ops), and other common interest developments (hereafter "Associations") to repair or replace disaster damaged common elements not fully covered by insurance or other disaster recoveries.

These Association loans can be increased by up to 20% of the loan amount to pay for mitigation measures to prevent future disaster damage from a similar disaster, provided the total does not exceed \$1.5 million.

If the Associations' damage to the common areas exceeds SBA's lending limit of \$1.5 million, the Association may pass a onetime assessment against the unit owners to cover the remaining costs in excess of the Association's SBA loan. The Association may also pass a onetime assessment to the unit owners to cover all damages in lieu of applying to SBA for a loan. The Association may borrow funds from SBA to cover insurance deductibles or shortages in an existing maintenance fund.

SBA also requires the Association to levy a monthly assessment against each unit owner. SBA will take an assignment of this assessment as collateral in addition to real estate.

SBA Disaster Business loans of up to \$1.5 million are also available to private non-profit organizations. Like Association loans, private non-profit loans can be increased by up to 20% of the loan amount to pay for mitigation measures to prevent future disaster damage from a similar disaster, provided the total does not exceed \$1.5 million.

SBA Disaster loans of up to \$200,000 are available to repair privately owned dams with disaster related damage. The total amount of a private loan may be increased by up to 20% for mitigation measures to prevent future disaster damage from a similar disaster. Thus, the maximum amount of a private loan is \$240,000.

LOAN TERMS: The law authorizes loan terms up to a maximum of 30 years. SBA determines the term of each loan in accordance with the borrower's ability to repay. Based on the financial circumstances of each borrower, SBA determines an appropriate installment payment amount, which in turn determines the actual loan term.

CREDIT REQUIREMENTS: SBA offers loans to disaster victims who can demonstrate repayment ability and a reasonably clear credit history.

COLLATERAL: All disaster loans over \$10,000 require collateral (generally real estate) if it is available.

INTEREST RATES: By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines that the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant that SBA determines can so provide for its on recovery has Credit Available Elsewhere. Generally, SBA determines that over 90% of disaster loan applicants do not have Credit Available Elsewhere.

Interest rates are determined by formulas set by law and may vary over time with market conditions. Currently (for disasters which occurred on or after April 19, 2004) the applicable interest rates are:

	No Credit Available Elsewhere	Credit Available Elsewhere
Association Loans	2.750 %	5.500 %
Non-profit Organizations	2.750 %	4.875 %
Private owners	2.875%	5.750 %

APPLICATION DEADLINE: Applications must be received at the SBA's office in Niagara Falls, New York no later than September 14, 2004.

CONTACT:

Tom Pirinelli
U. S. Small Business Administration
Disaster Area 1 Office
360 Rainbow Blvd. S.
Niagara Falls, New York 14303-1192
1-800-659-2955 ext. 483

WEBSITE INFORMATION: www.sba.gov: select Disaster Assistance tab.

AGENCY: **New Jersey Department of Environmental Protection (NJ DEP)**

Engineering and Construction
Dam Safety Section
PO Box 419
Trenton, NJ 08625-0419
609-984-0859
www.state.nj.us/dep

NAME OF LOAN PROGRAM: Dam Restoration Loans

PURPOSE OF FUNDING

To provide low-interest loans to assist in the funding of dam restorations, flood control projects, water pollution control projects, and water-related recreation and conservation projects.

SOURCE OF FUNDING AND PROGRAM RULES

Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992, P.L. 1992, c. 88; 2003 Dam, Lake, Stream, Flood Control. Water Resources and Wastewater Treatment Project Bond Act, P.L. 2003, c.162; and Program Rules, N.J.A.C. 7:24A-1.1 et seq.

WHO IS ELIGIBLE

Local government units, private lake associations or similar organizations and owners of private dams as co-applicants with a local government unit.

QUALIFICATIONS REQUIRED FOR CONSIDERATION

Applicant must have a project that meets the objectives of the program as defined in the Program Rules.

LOAN LIMITATIONS

Limited to eligible costs as defined in the Program Rules.

APPLICATION DEADLINE

Due to the significant flooding in Burlington County on July 12, 2004 that resulted in the failure of 13 dams and significant damage to numerous others, Governor James E. McGreevey has reopened the period for acceptance of loan applications for the restoration of dams.

The initial application period ran from February 17 to May 17, 2004. A total of 50 applications were received requesting a total of approximately \$64 million.

The notice of extension will be published in the August 16, 2004 New Jersey Register and **all applications for FEMA Disaster # 1530 must be received by September 30, 2004.**

A total of \$95 million was made possible through the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003," approved by New Jersey voters in November 2003. Governor McGreevey signed legislation authorizing the ballot referendum to help repair dams that pose threats to public safety and promote other flood control projects.

Loan applications are available in MS Word Adobe Acrobat pdf file formats at the website below. For detailed information, please refer to the Program Rules, N.J.A.C. 7:24A.

FOR INFORMATION OR TO REQUEST AN APPLICATION, CONTACT

John Ritchey
New Jersey Department of Environmental Protection
Engineering and Construction
Dam Safety Section
PO Box 419
Trenton, NJ 08625-0419
(609) 984-0859
john.ritchey@dep.state.nj.us

APPLICATION WEBSITE

<http://www.state.nj.us/dep/nhr/engineering/damsafety/engineer.htm>

**AGENCY: United States Department of Agriculture (USDA) Rural
Development**

Community & Business Programs

5th Floor North, Suite 500

8000 Midlantic Drive

Mt. Laurel, NJ 08054

856-787-7700

www.rurdev.usda.gov/nj

NAME OF PROGRAM: Community Facilities Program
Dam Repair/Rehabilitation

PURPOSE OF FUNDING

To construct, enlarge, extend or otherwise improve essential community facilities (including dams) providing essential service primarily to rural residents and businesses. Examples of the uses of funds include professional fees: legal, engineering, architectural; repair/rehabilitation; and new construction.

The program is available to supplement funding provided as the result of a Presidentially-declared disaster; but there will be no duplication of benefits. The program is also available for repair and rehabilitation work that was not the result of a Presidentially-disaster related.

ELIGIBLE FACILITIES

The facility must be located in a rural community. A rural community is a community of 20,000 population or less. We will look at separate and distinct communities within New Jersey Townships. The facility must primarily serve rural residents and businesses (i.e. not be a rural facility for urban populations).

The facility must qualify as an essential community facility, which is a public improvement necessary to the beneficial and orderly development of a community operated on a non-profit basis. If the applicant is a non-profit entity, it must provide a "letter of support" from the local governing body. The facility must be for public use.

ELIGIBLE APPLICANTS

Eligible applicants are public bodies such as municipalities, fire districts, etc., and not-for-profit organizations such as associations, cooperatives, or private corporations.

Non-profit organizations must have significant ties with the local rural community, ties that ensure that a facility under private control carries out a public purpose. Non-profit organizations must be incorporated under the appropriate non-profit state statutes, and the purpose of the organization stated in its articles of incorporation must be consistent with the Program's regulations. Non-profit

organizations must receive substantial public funding and/or substantial voluntary community funding.

Non-profit organizations must have broadly based membership with local control. "Broadly based" refers to the varied walks of life that exist in the rural community from which potential members of the organization and board members can be drawn to run the organization. Members must be primarily from the local rural community and must have ultimate control of the community facility. Membership must be open to all adults in the local rural community.

FUNDING

Funding is available as direct loans, which are traditionally used to finance essential community facilities; loan guarantees, which are typically used for larger projects (multi-million dollar) and for stronger more credit worthy applicants; and grants, which are very limited in amount (\$116,000 in fiscal year 2004).

Three levels of interest rates are based on the median household income of the community served. The Program will take the best collateral available to protect the interest of the government.

Borrowers must have the legal authority and responsibility to own, operate, maintain, and construct the facility, indebt itself, and generate revenue to repay that debt.

Borrowers must be unable to obtain credit at reasonable rates and terms. In other words, the loan guarantee is necessary to finance the proposed improvement at negotiated rates and terms with no balloon.

Borrowers must be able to execute Civil Rights agreements and enforce them.

Applications are scored to determine competitiveness for funding. The most rural communities are given more priority points over more populous communities.; The lowest income communities are given more points.

APPLICATIONS

Obtain applications from our website www.rurdev.usda.gov/nj

Applications can be **filed at any time** at our State Office:

USDA Rural Development
Community & Business Programs
5th Floor North, Suite 500
8000 Midlantic Drive
Mt. Laurel, NJ 08054
Tel 856-787-7750
Fax 856-787-7757

CONTACTS

Michael Kelsey, Community & Business Programs Director
USDA Rural Development
5th Floor North, Suite 500
8000 Midlantic Drive
Mt. Laurel, NJ 08054
856-787-7751
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Catherine.Herbstzuber@nj.usda.gov

AGENCY: **U.S. Department of Agriculture (USDA)**
Farm Service Agency
Director, Farmer Programs Loan-making Division
Washington, DC 20250
202-720-1632
www.fsa.usda.gov

NAME OF PROGRAM: Emergency Loans and other Farm Programs

PURPOSE: To assist established family farmers, ranchers, and aquaculture operators to obtain loans to cover losses resulting from a Presidentially-declared disaster.

ASSISTANCE PROVIDED: Direct loans and technical assistance. Loan funds can be used for farm operations and other items necessary to return the disaster victim's farming operations to a financially sound basis as soon as possible, so that the victim can obtain credit from private sources.

ELIGIBILITY: Established family farmers, ranchers, or aquaculture operators (either tenant-operator or owner-operator), who were farming at the time a disaster occurred. An applicant may be an individual proprietorship, a cooperative, a corporation, or a joint operation. Applicant must: (1) have incurred substantial crop loss and/or physical property damage as a result of a designated natural disaster; (2) be a citizen or legal resident alien of the United States, or a farming entity operated by citizens and/or resident aliens who own more than 50 percent of the entity; (3) be unable to obtain suitable credit from any other source(s); (4) be able to project a realistic, feasible plan of operation;

(5) have the legal capacity to contract for the loan; (6) provide adequate collateral to secure the loan request; and (7) have crop insurance. Applicants who cannot meet all requirements are not eligible. Assistance is available in all States.

APPLICATION: A required application form and supporting information are submitted to the FSA county office serving the applicant's county. FSA personnel assist applicants in completing application forms. The application must be filed with 8 months after the date the disaster is declared by the President. Applicants should consult the FSA county office, stated below, for additional information.

CONTACTS FOR BURLINGTON AND CAMDEN COUNTIES:

Nicholas Morolda, County Executive Director
USDA Farm Service Agency-NJ State Office
1289 Rt. 38, Suite 200
Hainesport, NJ 08036
609-267-1639 Ext. 109
Email: nick.morolda@nj.usda.gov

Paul Hlubik, State Executive Director
USDA Farm Service Agency-NJ State Office
163 Rt. 130, Bldg. 2, Suite E
Bordentown, NJ 08505
609-298-3446 Ext. 200
Email: paul.hlubik@nj.usda.gov

B. Lyn Brown, Farm Loan Manager
USDA Farm Service Agency-NJ State Office
1289 Rt. 38, Suite 200
Hainesport, NJ 08036
609-298-3446 Ext. 108
Email: lyn.brown@nj.usda.gov

WEBSITE: www.fsa.usda.gov: Under Information for Citizens, select Farm Loans and/or Disaster Assistance.

AGENCY: **New Jersey Department of Agriculture (NJDA)**
Soil Conservation Committee
P.O. Box 330
Trenton, NJ 08625
609-292-5540
james.sadley@ag.state.nj.us

NAME OF PROGRAM: Farmland Preservation Cost Share Program

PURPOSE: The New Jersey Department of Agriculture's Soil Conservation Committee offers a 50% cost sharing program to agricultural operations for water impoundment reservoirs for agricultural irrigation and for livestock water. If the request is for engineering related services to install dam structures, the USDA will evaluate such request based on available engineering assistance. A plan for the impoundment will be developed for approval by the local conservation district and forwarded to the NJDA for approval. The land must be in a permanent farmland preservation program or municipal 8-year program to qualify for these 50% cost share funds.

The program offers numerous other soil erosion and animal waste management cost share programs. A farmer will need to visit with a local soil conservation district and request technical assistance for developing a conservation plan.

TO ENROLL IN THE FARMLAND PRESERVATION PROGRAM IN BURLINGTON COUNTY, CONTACT:

Susan Craft, Farmland Preservation Coordinator
Burlington County Agriculture Development Board
856-642-3850
Email: scraft@co.burlington.nj.us

TO ENROLL IN THE FARMLAND PRESERVATION PROGRAM IN CAMDEN COUNTY, CONTACT:

Jack Sworaski
Camden County Open Space and Farmland Preservation
520 N. Newton Lake Drive
Collingswood, NJ 08107
Tel. 856-858-5241
Fax 856-858-3470

FOR THOSE ENROLLED IN THE FARMLAND PRESERVATION PROGRAM IN BURLINGTON COUNTY, CONTACT:

Don Yarus
Burlington County Soil Conservation District
1289 Rt. 38, Suite 100
Hainesport, NJ 08036

609-267-7410

FOR THOSE ENROLLED IN THE FARMLAND PRESERVATION PROGRAM IN CAMDEN COUNTY, CONTACT:

Robert Dobbs
Camden County Soil conservation District
423 Commerce Lane, Suite 1
West Berlin, NJ 08091
856-767-6299
Email: robert.dobbs@camdenscd.org

AGENCY: New Jersey Office of Emergency Management (NJ OEM)

Mitigation Unit
P.O. Box 7068
West Trenton, NJ 08628
www.nj.gov/njoem

NAME OF PROGRAM: Hazard Mitigation Grant Program (HMGP)

PURPOSE OF FUNDING

To ensure that the opportunity to take critical mitigation measures to protect life and property from future disasters is not lost during the recovery and reconstruction process following a disaster. Mitigation measures funded under HMGP are intended to provide a long-term or permanent solution. Ideally, the measure would be effective for the life of the property being protected.

SOURCE OF FUNDING

Program grant funds available under Section 404 of the Stafford Act provide States with the incentive and capability to implement mitigation measures that previously may have been infeasible.

WHO IS ELIGIBLE

- State and Local governments;
- Private non-profit organizations or institutions; and
- Native American tribes and Alaskan Native villages

MINIMUM CRITERIA FOR PROJECT ELIGIBILITY

1. Be in conformance with the State Mitigation Plan and Local Mitigation Plan approved under 44 CFR part 201;
2. Have a beneficial impact upon the designated disaster area, whether or not located in the designated area;
3. Be in conformance with 44 CFR part 9, Floodplain Management and Protection of Wetlands, and 44 CFR part 10, Environmental Considerations;

4. Solve a problem independently or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed. Projects that merely identify or analyze hazards or problems are not eligible;
5. Be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster.

The State may add other evaluation criteria, for example:

- * Repetitive history of damage at the site;
- * Severity of hazard and vulnerability at the project location;
- * Level of protection provided by the project;
- * Local commitment and public buy-in

In addition, the State is encouraged to select projects for funding that are designed to accomplish multiple objectives including damage reduction, environmental enhancement, and economic recovery, when appropriate.

FUND LIMITATIONS

The total HMGP amount is 7.5% of the total estimated Federal Assistance (excluding Administrative Costs) provided for a Presidentially-declared disaster.

APPLICATION DEADLINE

The deadline for filing Applications, which will be submitted to NJ OEM, has not yet been determined.

FOR INFORMATION OR TO REQUEST AN APPLICATION, CONTACT

Peter Dennen (609) 538- 6018
Kathy Lear (609) 538-6010
New Jersey Office of Emergency Management
Mitigation Unit
PO Box 7068
West Trenton, NJ 08628

AGENCY: New Jersey Environmental Infrastructure Trust

P.O. Box 440
Trenton, NJ 08625
Tel. 609-219-8600
Fax 609-219-8620
www.njeit.org

NAME OF LOAN PROGRAM

Environmental Infrastructure Financing Program

PURPOSE OF FUNDING

The Environmental Infrastructure Financing Program (EIFP) provides low-interest loans for the construction of a variety of water quality protection measures,

including wastewater treatment facilities and stormwater and nonpoint source management facilities. The projects eligible for financing from the EIFP include wastewater collection and conveyance facilities, combined sewer overflow abatement facilities, rehabilitation of existing sewer systems, pump stations, stormwater basins, sewer maintenance equipment, **lake restoration activities (such as lake dredging and beach restoration)**, landfill closure facilities (such as capping systems or leachate collection and treatment systems), new landfill facilities (such as double-composite liner systems and leachate collection and treatment systems), salt domes and others. The Financing Program also provides loans for activities such as open space land purchase and conservation, remedial action activities (including brownfields) and well sealing. Although the EIFP does not directly finance planning and design costs, an allowance (calculated as a percentage of the allowable building costs) to assist in defraying these costs is provided by the EIFP as part of the loan package.

SOURCE OF FUNDING

Financing is provided from two sources, the New Jersey Department of Environmental Protection and the New Jersey Environmental Infrastructure Trust (the Trust). The Department provides loans at 0% interest for approximately 20 years for up to one-half the allowable project costs. The Trust offers loans at about the market rate or less for the remaining allowable project costs, also for a 20-year term. Between these two funding sources, the rate on the loans is essentially half the market rate. Approximately \$100 million-\$200 million is available per year. In an effort to promote Smart Growth initiatives, the Fund will provide 75% of the project costs at 0% interest and the Trust will provide 25% of the project costs at market rate to projects that serve smart growth areas as identified on the Blueprint for Intelligent Growth (BIG) Map, as well as combined sewer overflow abatement and land acquisition projects. Until the BIG Map is adopted, this "75/25" package will be made available to projects that serve Urban Centers and Urban Complexes designated by the State Planning Commission.

STATUTORY CITATION

P.L. 1985, c. 329 N.J.S.A. 58:11B-1 et seq. and P.L. 1992 c.88.

WHO IS ELIGIBLE

Municipalities, counties, sewerage or utility authorities, joint meetings, improvement authorities or local government units constructing new or improving existing wastewater, storm water or non-point source management facilities.

Private entities are eligible if sponsored by one of the entities in the preceding sentence.

QUALIFICATIONS REQUIRED FOR CONSIDERATION

Eligibility is determined according to the ranking criteria of the Federal Priority System developed each year by the DEP. Each project is evaluated and point scores are assigned. Projects are certified for funding based on list rank, amount of available funds, and compliance with requirements and deadlines for planning, design and application.

LOAN LIMITATIONS

Eligible entities must: (1) request placement on Project Priority List; (2) send in a commitment letter and; (3) satisfy the planning, design and application deadlines and requirements.

APPLICATION PROCEDURES

Notice of Intent and related planning documents and applications are required in advance of the actual application deadline in accordance with application procedures above.

APPLICATION DEADLINE

The first step in the application process is a "commitment letter", which must be filed by October 1st.

Examples of commitment letters are on our website www.njeit.org: Select Drinking Water Letter or Clean Water Letter (which is at the end of this section).

FOR INFORMATION OR TO REQUEST AN NJDEP APPLICATION, CONTACT

Dennis Hart, Executive Director of the Trust

P.O. Box 440

Trenton, NJ 08625

609-219-8600

Email: dhart@njeit.org

Stanley V. Cach, Jr. Assistant Director Municipal Finance and Construction
Element

New Jersey Department of Environmental Protection

PO Box 425

Trenton, NJ 08625-0425

(609) 292-8961

Email: stanley.cach@dep.state.nj.us