

New Jersey Department of Community Affairs

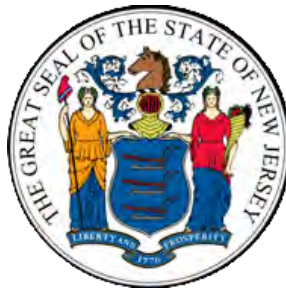
SUPERSTORM SANDY COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY

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 29

NON-SUBSTANTIAL AMENDMENT FOR FINANCIAL AND PERFORMANCE PROJECTIONS

Inclusive of Implications of Program Funds Transfer – Action Plan Amendment # 27

DATE SUBMITTED TO HUD: DECEMBER 14, 2018

DATE APPROVED BY HUD: DECEMBER 21, 2018

Philip D. Murphy
Governor

Lt. Governor Sheila Y. Oliver
Commissioner



Non-substantial Action Plan Amendment Number Twenty-Nine to Superstorm Sandy Disaster Relief Appropriation, Public Law 113-2, 2013

I. OVERVIEW

This Community Development Block Grant Disaster Recovery (CDBG-DR) Action Plan Amendment (APA) Number 29 to the State's approved Action Plan is in compliance with the Federal Register Notice [FR-5696-N-01] issued on March 5, 2013. The Notice requires that Action Plans must be amended "to reflect any subsequent changes, updates, or revision of projections" that might occur due to actuals different than projections, budget moves, or extension approvals. Further, the Notice states that "amending the Action Plan to accommodate these changes is not considered a substantial amendment." As a non-substantial amendment, this document will be posted on the Department of Community Affairs (DCA) website in accordance with HUD requirements.

II. EXPENDITURE PROJECTIONS

Notes on Methodology

As the designated Grantee of CDBG-DR funds, DCA tracks the projections and expenditures of all activities identified in the Action Plan, as well as the allowable administration and planning costs. The State uses periodic projections from each program manager or subrecipient agency of CDBG-DR funds to confirm each program's financial and performance projections by quarter.

Expenditures reflect projections going forward inclusive of the actuals-to-date, as reported in the most recent Quarterly Performance Report (QPR) approved by HUD; quarter ending September 30, 2018.

Assumptions for Projected Expenditure Charts

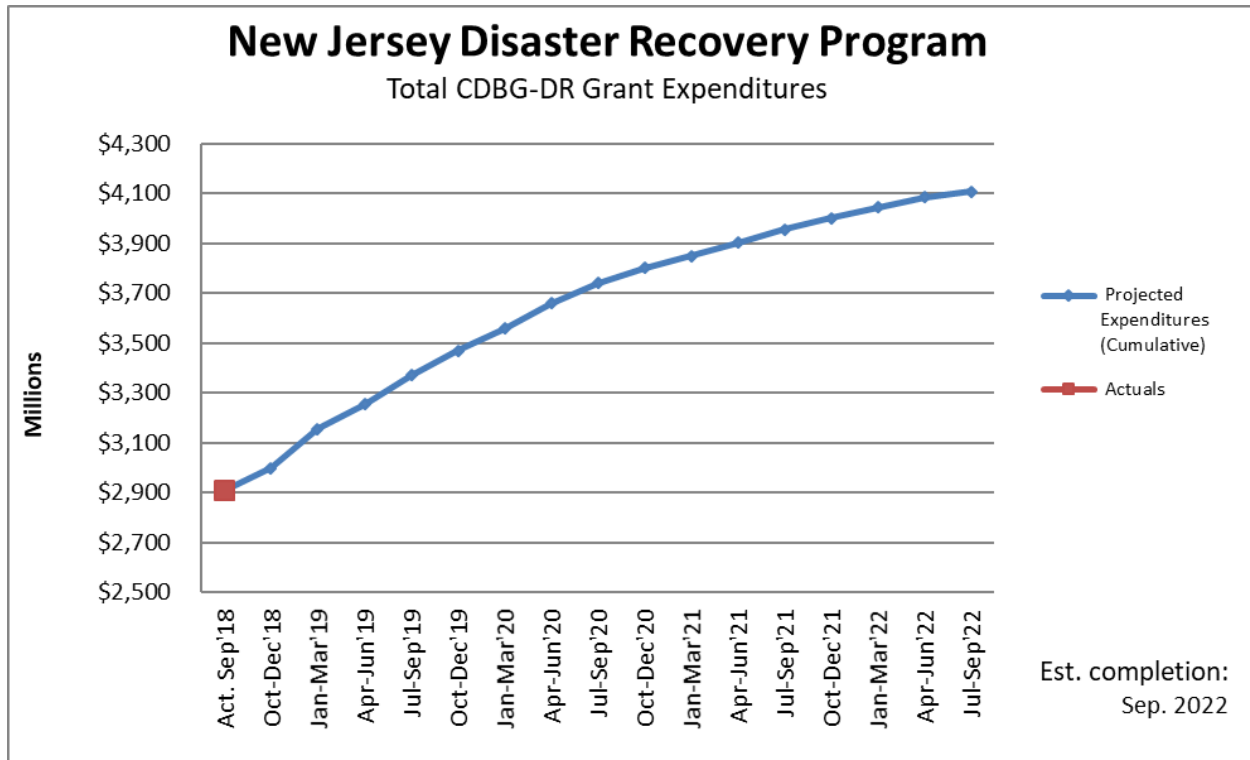
- Categories for expenditures in the charts are defined by HUD in the Explanatory Guidance related to completing the projections.
- The forecasts that are reflected in the charts are inclusive of direct project costs and activity delivery costs which include necessary environmental and historic clearances, title reviews, Uniform Relocation Assistance (URA), program management and program specific operational activities. Each program budget that is managed by a subrecipient agency also assumes a cap of 0.5% of program allocation for administrative costs. These costs are included in the Administrative and Planning chart. The Total CDBG-DR Expenditures chart and the Administrative and Planning chart are inclusive of Rebuild by Design direct program and administrative funds.
- The Administrative and Planning chart represents the projected expenditures for the overall administrative management and oversight of the total CDBG-DR funds, inclusive of Rebuild by Design. Administration costs have a cap set by HUD at 5% of the total grant funds.

As of September 30, 2018, the State has disbursed approximately \$2.91 billion to benefit homeowners, businesses, rental households, and communities continuing to recover and rebuild and mitigate against 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.

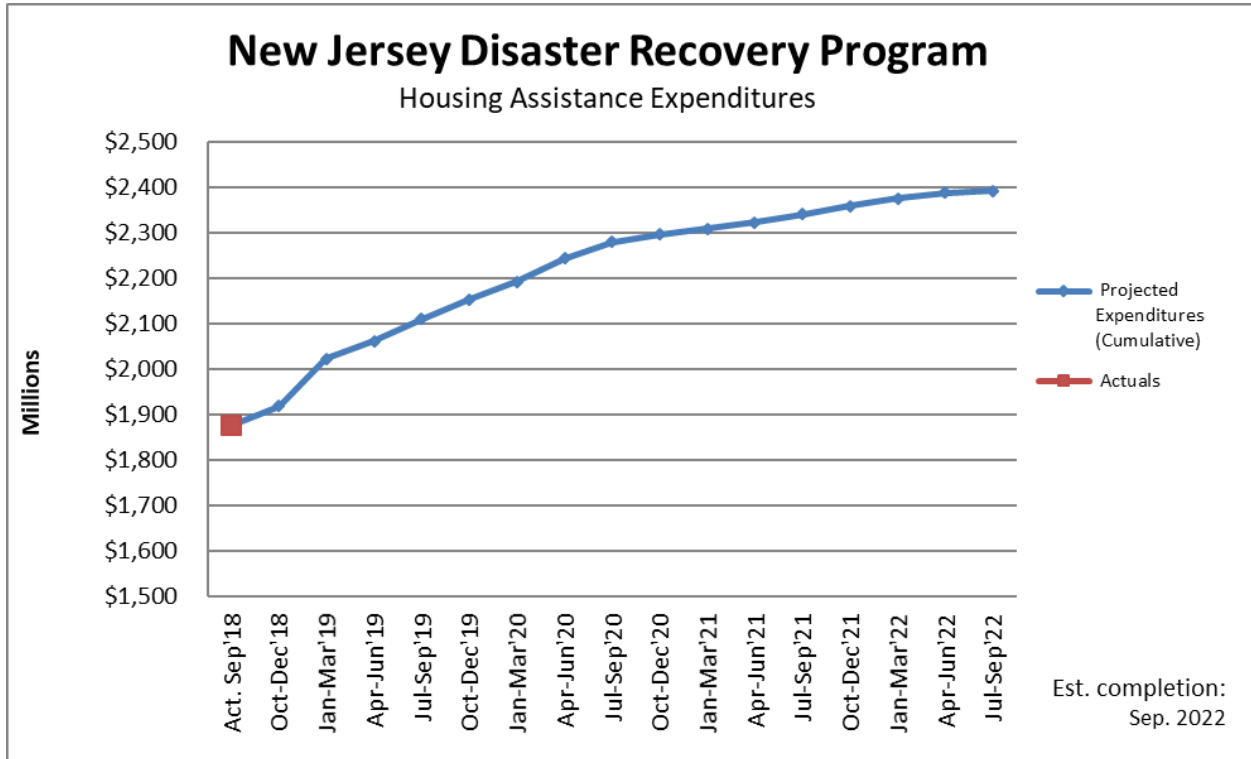
The **Total CDBG-DR Grant Expenditures** chart shows the timeline for the projected expenditure of \$4,174,429,000 in CDBG-DR funds awarded to New Jersey in the aftermath of Superstorm Sandy. This forecast accounts for all HUD approved expenditure deadline extensions as well as input from each

program manager on the likelihood of spending the program budget/allocation. The programs included in our allocation of funds are described in detail in the State’s approved Action Plan.

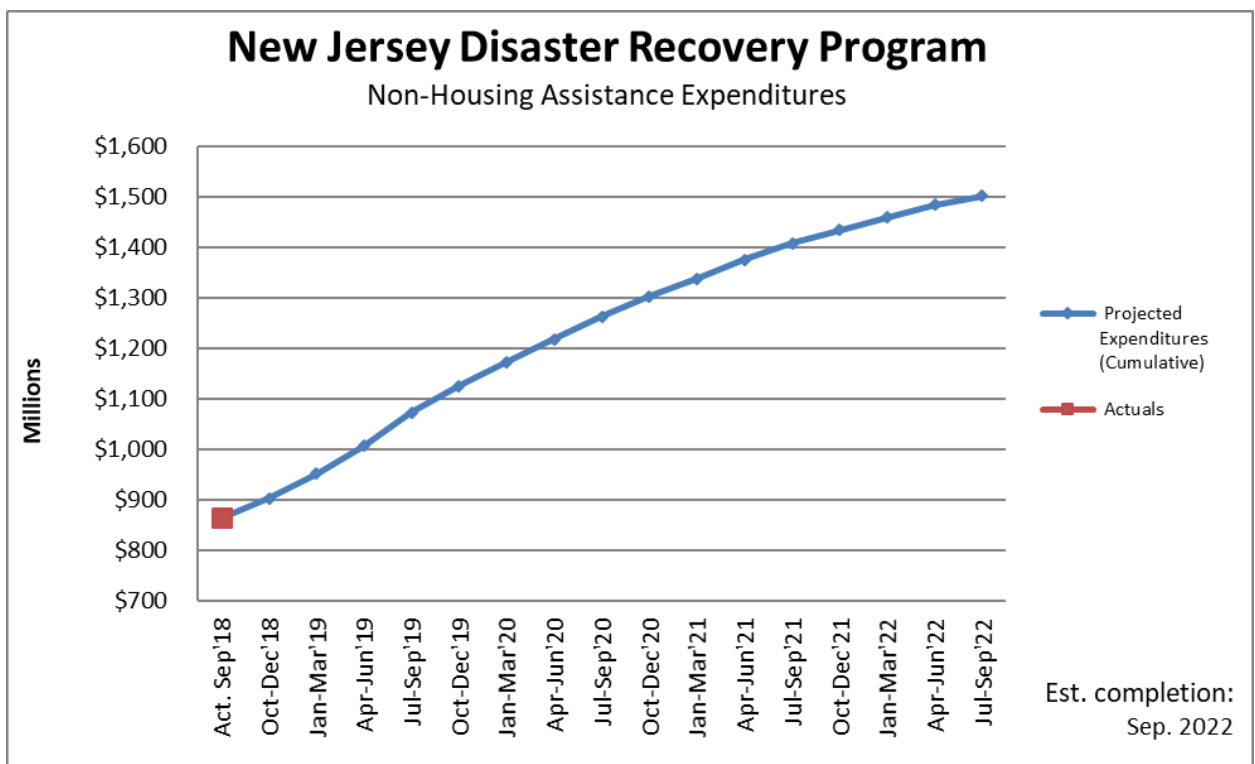
This forecast represents a net surplus of approximately \$68M. However, the State anticipates expending the entirety of the \$4,174,429,000 in CDBG-DR funds awarded. New Jersey is currently evaluating remaining unmet needs and will subsequently submit a substantial Action Plan amendment to HUD proposing a reallocation of this surplus.



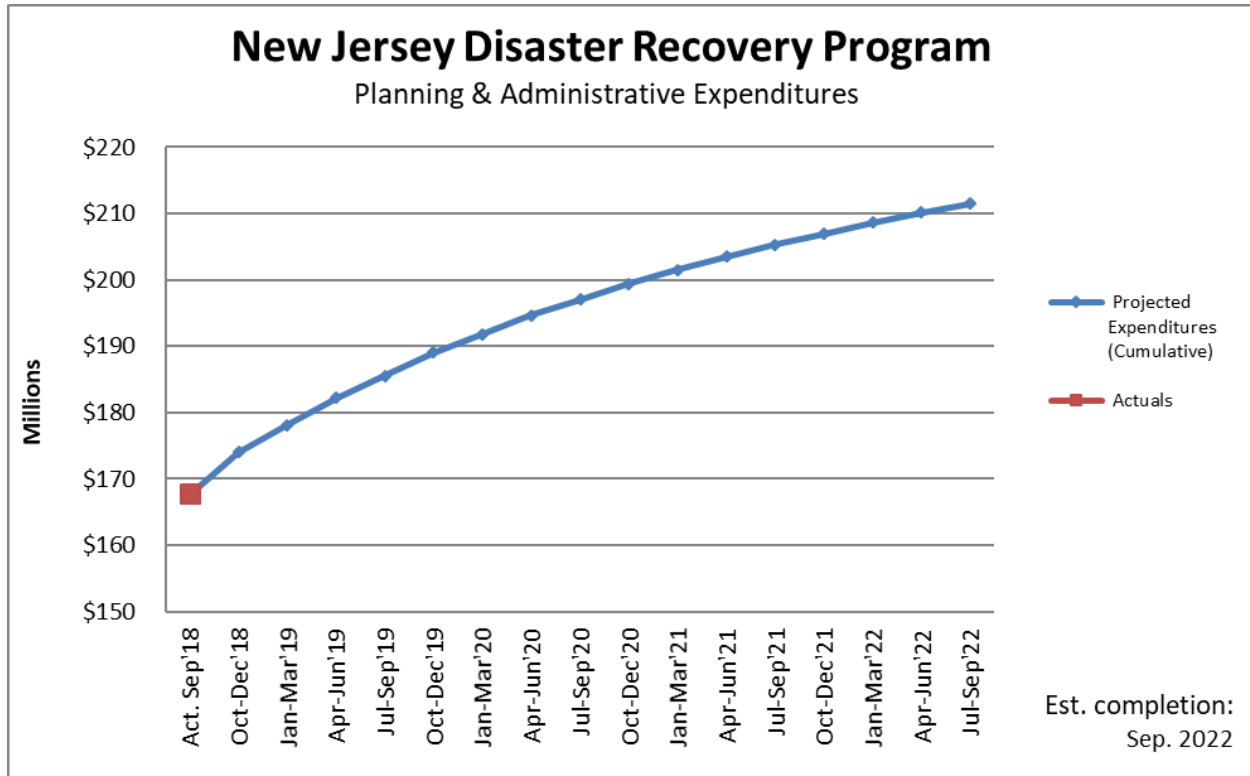
A. The **Housing Assistance Expenditures** chart shows the projection of funds in programs targeted to provide recovery assistance in the housing sector. Programs for housing assistance are comprised of the homeowner and rental assistance programs. The programs include Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM); LMI Homeowners Rebuilding Program; Blue Acres Buyout Program; Sandy Homebuyer Assistance Program; Landlord Rental Repair Program; Fund for Restoration of Large Multi-family Housing; Special Needs Housing Fund; Neighborhood Enhancement Program; Lead Hazard Risk Reduction Program; Flood Hazard Risk Reduction and Resiliency Acquisition Program; and the Predevelopment Loan Fund.



B. The **Non-Housing Assistance Expenditures** chart shows the projected expenditures in the recovery programs considered to be non-housing, including those under Economic Revitalization, Support for Government Entities, Infrastructure (including Rebuild by Design) and non-housing Supportive Services initiatives such as the Housing Counseling/Case Management Program, Match (non-federal cost share programs), and the Mosquito Control and Surveillance Programs. The rental assistance programs, such as Incentives for Landlords, Homelessness Housing assistance in the form of Tenant-Based Rental Assistance, Rental Assistance, and Housing Resettlement Incentive grants are included in the non-housing category, as determined by HUD, since the grants are not considered as direct housing construction activities. Due to the long-term nature of some of these programs, there is considerable planning and design work required before significant expenditures occur; therein the slope of the chart line is still relatively steep in calendar years 2020 and 2021.



C. The **Planning and Administrative Expenditures** chart shows the projected expenditures for planning activities, as well as those expenditures related to administration, management oversight, reporting, and monitoring of all programs funded by the CDBG-DR funds. This includes activities conducted by DCA’s Division of Local Planning Services and Environmental and Historic Mitigation Planning activities along with administrative dollars supporting Rebuild by Design.



III. PERFORMANCE MEASURE PROJECTIONS

In the section below, programs are grouped into categories based on the performance measure type and DRGR Activity Type. Please note that each chart contains projected accomplishments for more than one program. The DRGR Activity Type represented in each section below is noted at the bottom of each graph.

Notes on Methodology

Program managers and subrecipients report expected completion of measures when establishing their activities. Upon completion of the activity, they reconcile projections with the actuals.

While there are many measures, the charts represented in Section III reflect the key measure for each program. They reflect projections going forward inclusive of the actuals-to-date, as reported in the most recent QPR approved by HUD; quarter ending September 30, 2018.

Assumptions

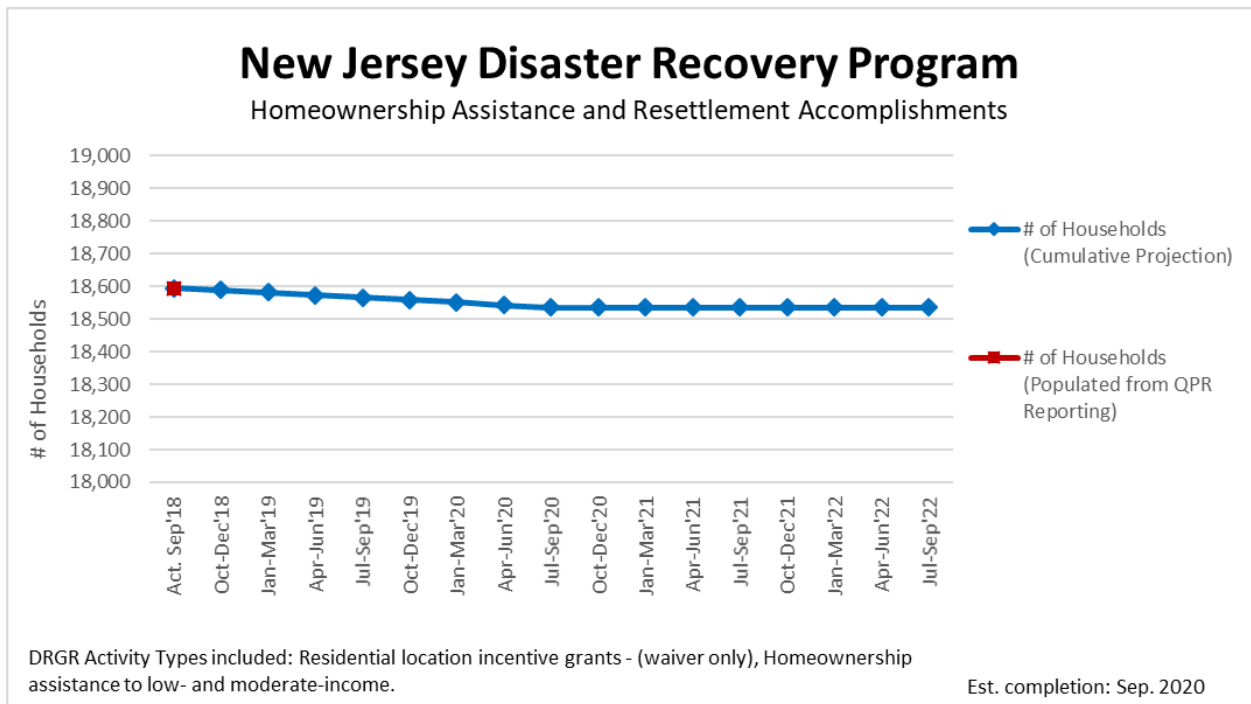
- Per HUD guidelines, projections for each program have been rolled up into categories based on the measure type and DRGR Activity Type. Programs with several DRGR Activity Types and

accomplishment types are represented in multiple charts below so that all key measure projections are included.

- Measures are linked to the financial projections; however, the timing of when measures are reported may not align with spending. The reporting of a measure is based on the type of work being done. For instance, programs under the “Residential Rehabilitation and Reconstruction” category count a measure when a housing unit has been completed, but the program could continue to recoup or disburse final payments. On the other hand, infrastructure programs like those in the “Public Infrastructure” category may show funds expended but the measure is reported upon completion of the entire project.

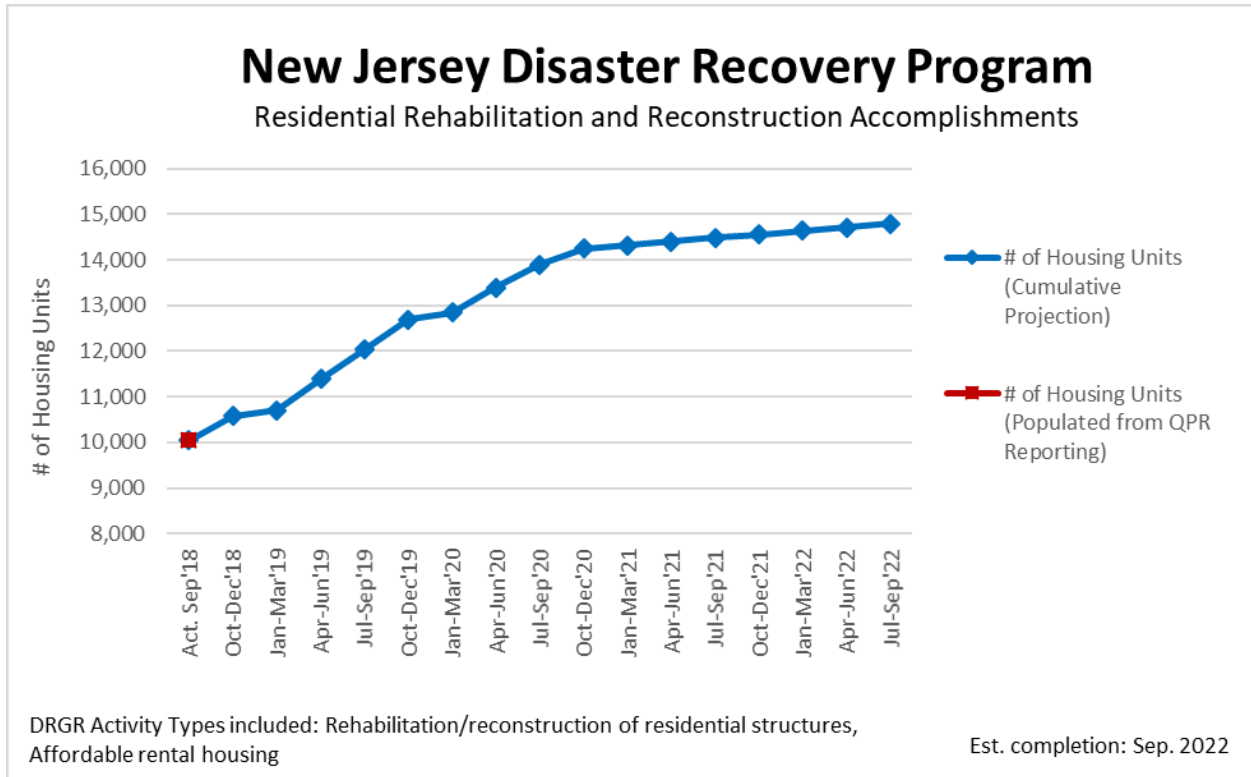
Thus, for some categories, projected measures end prior to the estimated completion date because program staff will continue to administer the programs after all measures are counted.

- A. The **Homeownership Assistance and Resettlement Accomplishments** chart shows projections for programs that will result in the assistance of homeownership or resettlement of affected households. This includes the Sandy Homebuyer Assistance Program and the Housing Resettlement Program.

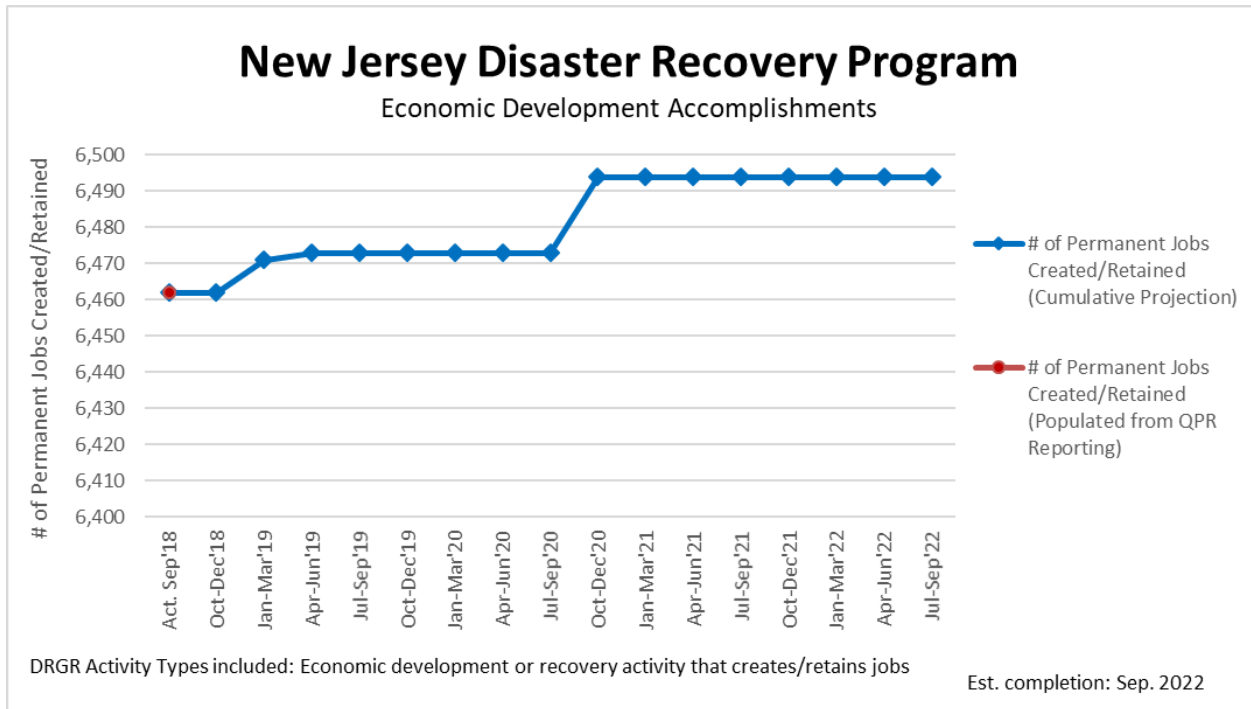


The State projects the cumulative number of households will decrease. Some households that received Housing Resettlement Program grants will return the money awarded to them because they did not meet the program requirement to remain a county resident for 3 years.

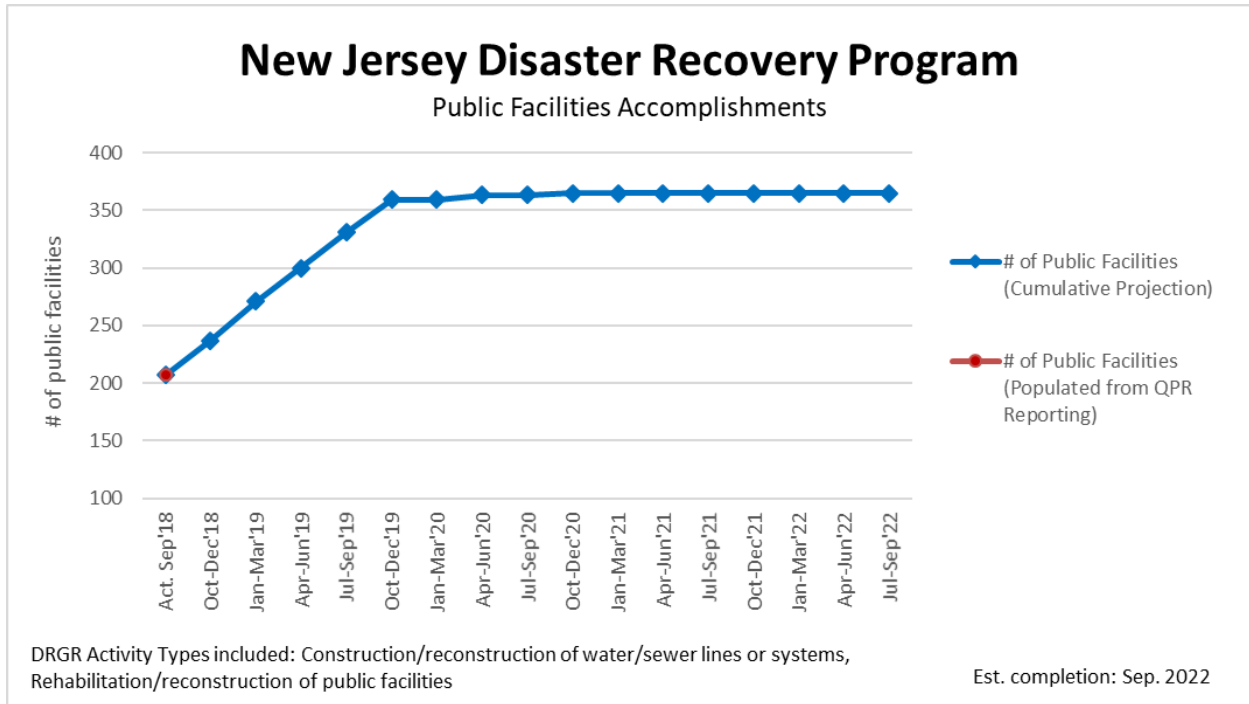
B. The **Residential Rehabilitation and Reconstruction Accomplishments** chart shows the projected number of units that will benefit from rehabilitation and reconstruction of existing rental and homeowner properties. This includes the Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM), the LMI Homeowners Rebuilding Program, the Landlord Rental Repair Program, the Fund for Restoration of Large Multi-family Housing, the Sandy Special Needs Housing Fund, the Neighborhood Enhancement Program, and the Lead Hazard Risk Reduction Program.



- C. The **Economic Development Accomplishments** chart shows the projected outcomes of the economic development and revitalization programs, which is the total of jobs created and jobs retained as a result of the programs. This includes the Grants to Small Businesses and Direct Loans to Small Businesses Programs.

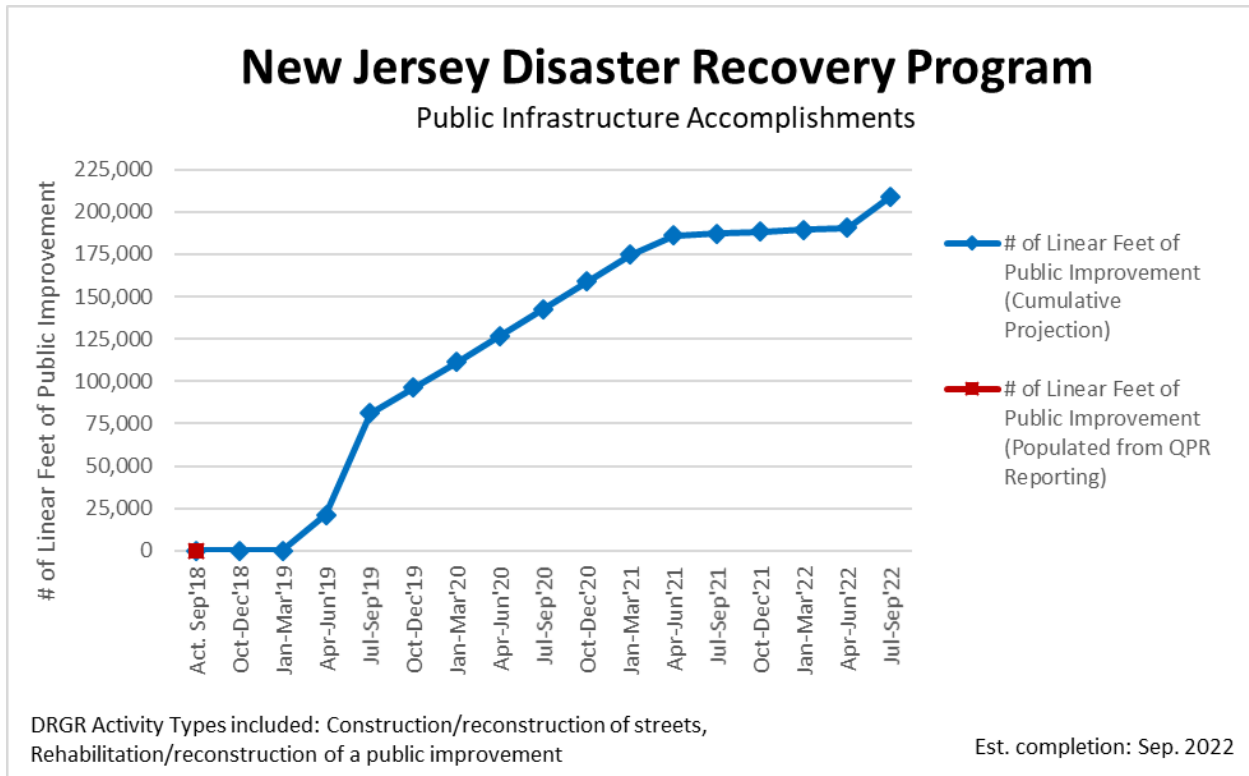


D. The **Public Facilities Accomplishments** chart represents projected outcomes for recovery and resiliency programs designed to assist with repair and improvements to public facilities through the use of non-federal cost share programs and infrastructure programs. This includes the Energy Resilience Bank, the Non-Federal Cost Shares Program, the Neighborhood and Community Revitalization Program, the Drinkingwater Revolving Loan Fund, and the Cleanwater Revolving Loan Fund.

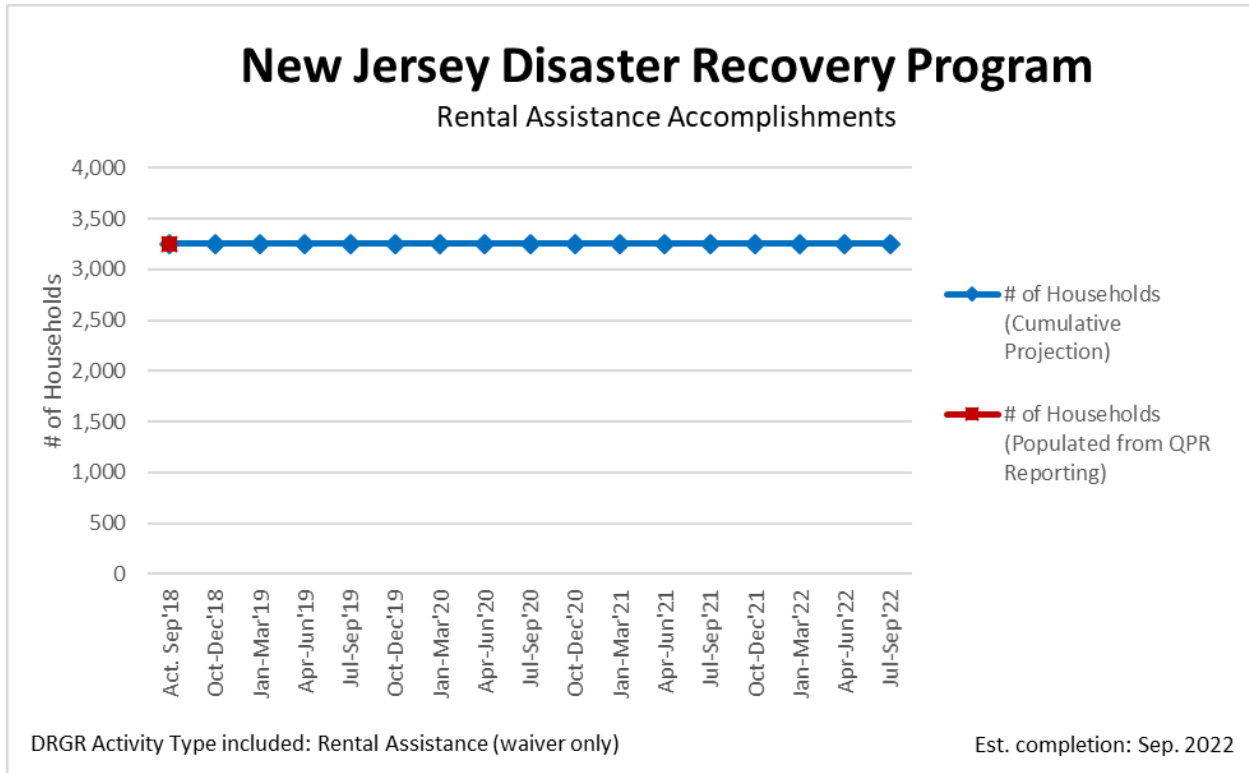


The State projects in April - June 2020, 4 facilities will be completed. In October - December 2020, 2 facilities will be completed.

- E. The **Public Infrastructure Accomplishments** chart represents projected outcomes for recovery programs designed for rehabilitation to critical public infrastructure. This includes the Federal Highway Administration non-federal cost share Program, Flood Hazard Risk Reduction and Resiliency Measures Infrastructure Program, and the Rebuild by Design projects.

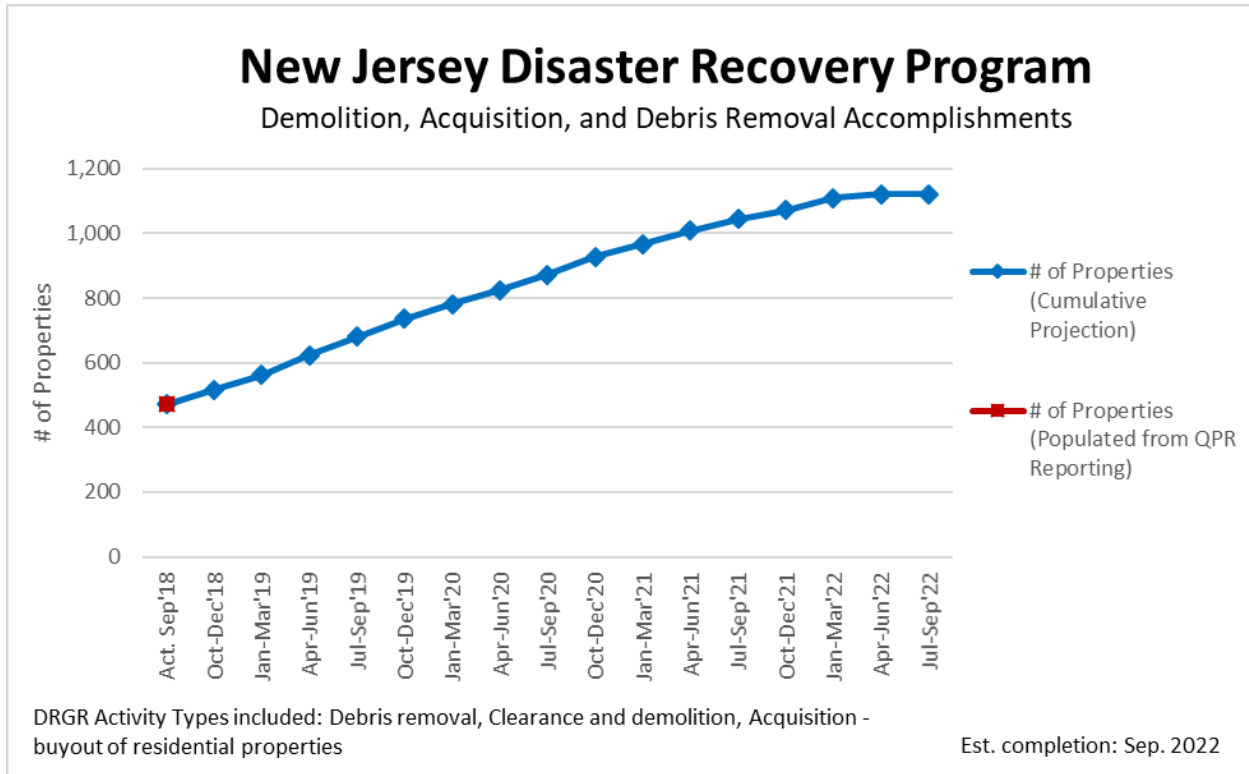


F. The **Rental Assistance Accomplishments** chart shows the projected outcomes for programs designed to provide rental assistance and utility payments. This includes the Rental Assistance Program, the Tenant-based Rental Assistance Program, and the Incentives for Landlords Program.

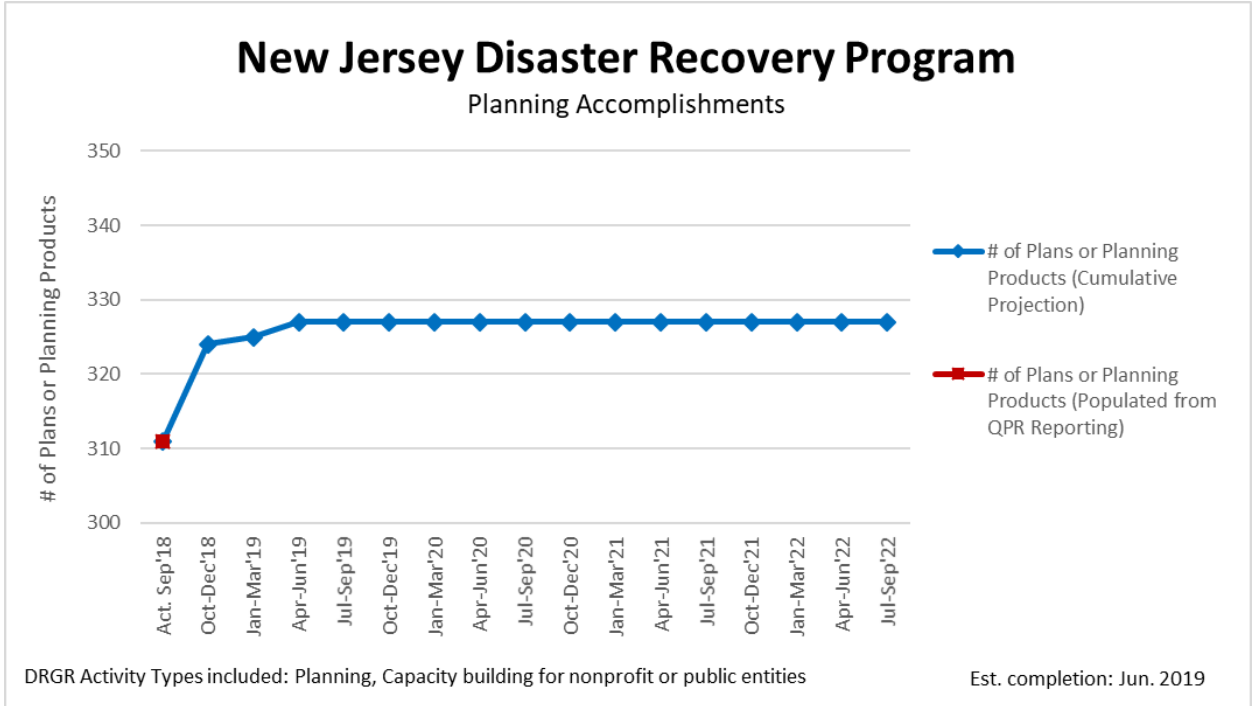


The measures for these programs are final because the programs are no longer accepting applicants. The State will continue to expend funds on the Rental Assistance Program and the Tenant-based Rental Assistance Program because the programs provide rental assistance to households over a period of time.

G. The **Demolition, Acquisition, and Debris Removal Accomplishments** chart represents projected outcomes for programs that benefit properties by acquiring or clearing the land for future improvements. This includes the Unsafe Structure Demolition Program, the Blue Acres Buyout Program, the Non-Federal Cost Share Program, and the Flood Hazard Risk Reduction and Resiliency Acquisition Program.



H. The **Planning Accomplishments** chart represents projected outcomes for programs that support the funding of plans related to disaster recovery. This includes the DEP Mitigation Bank Program, the Predevelopment Loan Program for Affordable Rental Housing, and DCA’s Division of Local Planning Services Programs.



I. The projected accomplishments table below represent:

- Programs with accomplishment types that do not fit into any of the groupings listed above
- Programs that are in the process of being closed out and are projected to have no further metric or financial activity

Program	Accomplishment	Actuals as of 9/30/2018	Total Projected
Code Enforcement Program (Completed: May 2017)	# of Building Inspections	91,277	91,277
Housing Counseling Services *(Est. Completion: Sep 2022)	# of Cases Closed	31,076	51,851
Tourism Marketing (Completed: May 2017)	# of Posted Advertisements for Tourism Initiatives	204,799,407	204,799,407
Public Services including: Essential Services Grants Program; DOH Mosquito Surveillance Program DEP Mosquito Control Program; and Zoning Code Enforcement Program for Municipalities *(Est. completion: Jun 2019)	# Non-business Organizations, Including Units of Government	135	135

* The State has filed an extension request with HUD to provide housing counseling services through September 2022.

IV. ATTACHMENT A

The HUD Template (excel file) of Quarterly Projections of financial expenditures and performance is included as Attachment A to this APA Number 29.