

Christie Administration Receives Federal Approval To Dedicate Additional Funds To Existing Housing Recovery Programs

Approximately 1,000 Waitlisted RREM Applicants and More Than 1,200 Waitlisted Resettlement Applicants Will Receive Federal Funds

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Trenton, NJ – The Christie Administration has received approval from the Obama Administration to amend the New Jersey Disaster Recovery Action Plan to dedicate an additional \$145 million of existing federal Community Development Block Grant (CDBG) Disaster Recovery funds to two Sandy housing recovery programs. This will enable approximately 1,000 Sandy-impacted homeowners to move off of the Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM) Program waitlist and more than 1,200 storm-affected families to move off of the Homeowner Resettlement waitlist and receive grants to assist them in their recovery effort.

“Helping Sandy-impacted families get back in their homes is the top priority of my Administration,” said Governor Chris Christie. “Receiving approval of our request to dedicate additional funds to help thousands of New Jersey residents get the needed resources to resettle in their neighborhoods and rebuild their homes is critical to this mission.”

Federal approval of the Christie administration’s request will add \$110 million to the (RREM) Program to allow approximately 1,000 Sandy-impacted families currently on the waitlist to receive a RREM grant. This program provides grants of up to \$150,000 to help homeowners impacted by Sandy repair or rebuild their homes. The 1,000 homeowners who are moving off the RREM waitlist will receive a letter shortly notifying them that they’ve been preliminarily approved for a RREM grant and advising them of next steps. The approximately 7,000 homeowners who remain on the RREM waitlist will be advised of where they are on the list so they can decide the best course of action for their own recovery effort.

The amendment also adds \$35 million to the Homeowner Resettlement Program, which enables the state to fully fund every eligible Sandy-impacted homeowner who applied to the program with a \$10,000 grant to incentivize them to stay in their home community rather than relocating. The program, which also closed its application period on August 1, 2013, has awarded more than 16,600 Resettlement checks to eligible families. Families can utilize the money for non-construction storm-related expenses such as increases in flood insurance premiums and rent payments for temporary housing.

All homeowners on the Resettlement waitlist will receive a letter informing them that they’ve been preliminarily approved for a Resettlement grant award and setting an appointment for them to close on the grant.

“Today’s announcement demonstrates our sustained commitment to helping as many Sandy-impacted families as we can with their housing recovery needs,” said New Jersey Department of Community Affairs (DCA) Commissioner Richard E. Constable, III, whose Department administers many of the state’s Sandy Recovery programs. “The state is set to receive an additional \$1.4 billion in CDBG Disaster Recovery funding this year and we intend to dedicate a substantial portion of the funds to housing programs when we submit our second Action Plan to HUD for approval. Once approved, the money will allow us to reach even more storm-affected homeowners and renters.”

The substantial amendment also sets aside \$15 million for a program to demolish unsafe Sandy-damaged structures in order to alleviate blight and address threats to public health and welfare.

The additional funding for the RREM and Resettlement programs and the funding for the Unsafe Structure Demolition Program is coming from the reallocation of funds within the New Jersey Disaster Recovery Action Plan. In light of the significant waiting list for housing recovery programs and an analysis of the State's business and housing recovery needs, the Christie Administration sought and received the federal government's approval to transfer \$160 million of the federal Sandy recovery funds designated for Grants and Forgivable Loans to Small Businesses to the above-named programs.

After a 14-day public comment period, the Christie Administration submitted the substantial amendment on November 22, 2013 to the U.S. Department of Housing and Urban Development (HUD) for its review. HUD approved the amendment today.

The New Jersey Disaster Recovery Action Plan, which was approved April 29, 2013, details how the State is distributing the \$1,829,520,000 in federal Community Development Block Grant (CDBG) Disaster Recovery funds to help homeowners, renters, businesses and communities impacted by Sandy. Pursuant to guidelines from HUD, the Action Plan focuses predominantly on the nine counties most affected by the storm as determined by HUD (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, and Union) and on assisting low- to moderate-income families.

The Action Plan substantial amendment can be viewed in English and Spanish at <http://www.nj.gov/dca/divisions/sandyrecovery/action/> on the DCA website.

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