

Attachment 4

How It Might Have Been

In the preceding article DCA's effort was described in securing \$5.5 million for 7 counties and their 204 constituent municipalities in the first year alone of the Community Development Block Grant Program (CDBG).

Now let's take a look at what might have happened if DCA had been dismembered. Let's assume that: the Division of State and Regional Planning (SRP) was located in the Department of Environmental Protection (DEP), the Division of Housing and Urban Renewal was located in Labor and Industry (L&I), the Division of Local Government Services was located in the Department of the Treasury, and the Division of Human Resources was located in Institutions and Agencies. Where the divisions would have been located is not as important as the fact that they are separated.

As the law (the Housing and Community Act of 1974) was working its way through Congress toward final approval on August 22, 1974, it is unlikely that any one separated division would have closely monitored the bill for its import to New Jersey communities, because it covered such a diversity of programs ranging from water and sewer to housing, to open space to beautification. But DCA (at the departmental level) applied for and received a special federal grant to do just that. The staff that was hired with the grant funds laid a foundation on which subsequent actions by DCA were based. Without this preparation the details of this law would have caught the separate Divisions largely unprepared. So would the policy announcement by the U.S. Department of Housing and Urban Development that it was eliminating field assistance to applicants.

The federal government announced that there were 53 entitlement applicant municipalities in New Jersey. They left out six more townships and nine urban counties including their 319 municipalities who were every bit as eligible.

who would have lobbied for their right to apply for funds? Probably only the more "grant-wise" among them. Who would have been able to mount a major technical assistance effort at helping municipalities and counties apply for the federal grants in the absence of federal field assistance? With the expertise needed to assist in applying for and implementing the CDBG program spread among four Departments, only a halting and inadequate response could have been made by one or another Division, risking the loss of hundreds of millions of dollars to New Jersey's local governments over the six year life of the law.

Now let's look more closely at the urban counties. What division in the State would have unilaterally convinced their commissioner to question HUD's initial belief that New Jersey's counties were ineligible for CDBG's? Perhaps Housing and Urban Renewal or State and Regional Planning? Who would have been familiar with the recently enacted State law enabling counties and municipalities to enter into joint contracts for mutual services? Wouldn't it have been the Division of Local Government Services who developed and administered an attendant Aid Act? But they are in the Department of Treasury with no responsibility in the field of Housing and Community Development. It is likely that somewhere along the way to the application filing deadline, the urban counties wouldn't have made it. First, they had to convince HUD they were eligible for a CDBG. It was the united effort and expertise of the Counties, all the Divisions of DCA, spearheaded by the Commissioner and the New Jersey Congressional delegation that convinced HUD of this eligibility.

Who was to guide and represent these same counties in negotiating and meeting the HUD requirements? Interlocal expertise needed to formulate a contract was in DLGS. But awareness of housing and community development needs was scattered among the other three divisions and the Housing Finance

Agency. How would the lines of communication be opened to coordinate such an effort? An effort that had to be accomplished between mid-November 1974 when the urban counties were declared eligible applicants and January 15, 1975 the first deadline established by HUD for urban counties to pass "cooperation agreements" with their constituent municipalities. Who could have even brought this need into focus? Who could have lobbied effectively to extend the deadlines imposed by HUD for urban county cooperation agreements by degrees--first to January 31st, then to February 28th, then to May 30th?

Next, who could have successfully convinced the eligible urban counties of the need to agree on a basic model contract so that HUD could expedite its review and approval, thereby giving the counties that much more time to develop their applications?

Lastly, would the State clearinghouse for federal applications (A-95) located in the Division of State and Regional Planning have developed a special procedure to expedite CDBG applications if other Divisions in DCA were not encouraging it to do so? More than that, would the clearinghouse have agreed to cut 15 days from a 45 day review period so that urban counties would have the most time possible to submit their CDBG applications? They did just that.

The results have been explained in the preceding article. Eight of the seven urban counties submitted their applications to HUD. Seven were approved and \$5.5 million was made available to their 204 participating constituent municipalities. Of the 60 eligible CDBG entitlement municipalities, 59 submitted applications; 57 got grants. Without the coordinated response of the Divisions of DCA, we wonder if the results would have been half as good?