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ICYMI: DCA Commissioner Constable: "Despite Snags, Sandy Recovery Effort On Track"

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Despite snags, Sandy recovery effort on track

Richard E. Constable III, Commissioner of the New Jersey Department of Community Affairs
Asbury Park Press

As part of our commitment to transparency, the Christie administration has been holding public hearings this month on our plans to execute the next round of federal Sandy recovery funds. The last of the three hearings will be at 4 p.m. Friday at Brookdale Community College in Middletown.

We've heard directly from many individuals who have had difficulty in their housing recovery efforts, particularly with the Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) grant program. We understand their frustration in navigating the bureaucratic federal mandates, as well as the time the process takes.

At the public hearings, we continued to do what we've done since Sandy first struck New Jersey: worked to directly help people with their individual situation. We recognize that the challenge ahead is daunting. When Sandy ravaged New Jersey, it left staggering devastation (approximately 365,000 homes damaged or destroyed, according to initial insurance estimates).

The Christie administration fought hard for federal aid, but unfortunately partisanship in Washington slowed the process down. After Congress enacted a \$60 billion Sandy aid package in January 2013, it wasn't until late May that the first round of \$1.8 billion in federal CDBG Disaster Recovery funds began arriving. Delays getting the resources on the front end have inevitably led to delays getting the money to people in need.

While we are grateful for the \$1.8 billion in initial aid, the unfortunate reality is there are far more needs than resources. Sandy caused nearly \$37 billion in damage in New Jersey and \$42 billion of combined damage in New York state and New York City. However, to date, New York state and New York City have been awarded a total of \$7.1 billion in CDBG Disaster Recovery funding, while New Jersey has been awarded only \$3.2 billion. That \$4 billion difference would go a long way here in New Jersey.

Despite these challenges, we've made significant progress in helping people recover from the state's worst natural disaster. For example, we've awarded \$10,000 grants through the Resettlement Program to approximately 18,000 eligible homeowners to help with non-construction needs such as mortgage payments and temporary rent.

The RREM Program, which provides grants of up to \$150,000 to help homeowners rebuild their home, presents different challenges in funding and process. Although approximately 12,400 homeowners are eligible to receive a RREM grant, we only have federal resources for 5,100 applicants.

Because RREM is a construction-based program, federal mandates require us to painstakingly tally how much money a homeowner has received from private insurance, FEMA and the Small Business Administration to avoid fraud and waste. The federal rules also require lead and asbestos testing, as well as environmental and historic reviews on every property. These all take time and weigh the process down.

Nevertheless, all 5,100 homeowners preliminarily approved for a grant are moving through the process. Approximately 1,500 have signed their grant award and are meeting with building contractors. We've obligated more than \$150 million

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in grant funding. Also, in the second Action Plan we are proposing an additional \$390 million to the RREM Program so 3,000 homeowners can move off the wait list and rebuild their homes.

We made critical improvements to the RREM Program to overcome onerous federal mandates and improve delivery. We actively manage staff at the Housing Recovery Centers and greatly increased training for personnel. When homeowners told us they wanted to hire their own contractors, we changed our procedures to accommodate their request.

Improvements continue while we lessen the burden of federal requirements. Every day, we strive to get all program-eligible residents the help they need to get their lives back to normal.

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