Christie Administration Seeks To Shift Sandy Recovery Funds to Support Tenant-Based Housing Vouchers And Create Lead Hazard Reduction Program

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Tags: Hurricane Sandy

Trenton, NJ - The Christie Administration today announced the state's request to the U.S. Department of Housing and Urban Development (HUD) to amend the current New Jersey Disaster Recovery Action Plan to provide $17 million in tenant-based housing vouchers for low-income families and to create a $5 million Lead Hazard Reduction Program to protect children from increased lead poisoning threats in Sandy-damaged homes.

"This amendment continues the Christie Administration's commitment to helping all Sandy-impacted families, regardless of income, settle into safe and affordable homes," said New Jersey Department of Community Affairs (DCA) Commissioner Richard E. Constable III, whose department administers many of the state's Sandy Recovery programs.

"Additionally, this amendment seeks to remove lead hazard threats, which have become increasingly problematic as a result of flooding from Sandy, in communities affected by the storm."

The substantial amendment would shift funding to provide rental assistance in the form of tenant-based vouchers for low-income families that were displaced by Sandy and, in so doing, prevent Sandy-related homelessness. More than 800 families receiving vouchers as a result of Sandy would be helped by the tenant-based housing vouchers proposed in the substantial amendment.

It would also create the Lead Hazard Reduction Program, which would provide $5 million in funding for lead assessment and remediation in Sandy-impacted homes, which are potentially at greater risk of lead threats due to flooding that has caused lead-based paint to flake. This new program would complement an effort to test young children, pregnant mothers and Sandy recovery workers for blood lead levels being administered by the New Jersey Department of Health with Social Services Block Grant funding from the federal government. Flooded homes built prior to 1978 are more likely to experience increased lead hazards.

The amendment proposes to shift funds from the existing Landlord Incentive Program, which aims to increase affordable housing by providing funding to rental property owners to subsidize rents. By transferring funds to tenant-based vouchers, the state seeks to accomplish the same goal of increasing affordable housing by providing vouchers directly to tenants to defray rental costs. Federal rules prohibit this kind of direct assistance, which is why the state is seeking a waiver from HUD.

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 allocated by HUD 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.

Under the Action Plan, $379 million of these funds are directed to housing recovery programs designed to assist
renters, including by replenishing the stock of rental housing throughout Sandy-affected areas, repairing affordable rental units left uninhabitable by the storm, and providing affordable housing for residents in need. The State anticipates that approximately 7,000 new affordable housing units statewide will be created over the next two years as a result of these affordable rental housing programs.

The Christie Administration opened a 30-day period through March 5, 2014 for the public to comment on the second substantial amendment of the Action Plan. The proposed amendment may be obtained in English and Spanish at http://www.nj.gov/dca/divisions/sandyrecovery/action/ on the DCA's website. Written comments on the amendment will be accepted at sandy.publiccomment@dca.state.nj.us until 5:00 p.m. on March 5, 2014

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