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## Recommendations for Hurricane Sandy Rebuilding Efforts

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Members of the Housing and Community Development Network of New Jersey are working to help meet the needs of families, individuals and communities harmed by Superstorm Sandy. Our members who were in the storm's path know what is needed and where; and those who were not impacted directly have the capacity to assist with rebuilding efforts. The Network aims to facilitate conversations, ideas, information and resources that can repair our state's devastated areas. We are working to ensure that low and moderate income families, who needed affordable homes even before Sandy hit, continue to have access to homes they can afford under the laws and practices in our state. Further, we want to make certain that a significant proportion of new funding dedicated to repairing and replacing homes and restoring businesses and livelihoods are directed to lower income people who need the most support to rebuild their lives.

We strongly support rebuilding efforts that use the most energy efficient, sustainably designed and storm resistant standards, to prevent future damage to homes and businesses. Options should include the use of manufactured homes and ones that can be built on later, to help people move back to their neighborhoods quickly. There are many ways the federal and state government, as well as concerned supporters, can help community economic development organizations and others provide homes and rebuild in Sandy's aftermath. To that end, the Network recommends the following actions:

### **The Federal Government should:**

1. **PROVIDE HOUSING INCOME DATA:** Up-to-date data on the number of low and moderate-income households affected by the storm is needed to be able to accurately determine how many homes need to be replaced, and the appropriate mix of ownership and rentals needed.
2. **ENCOURAGE UNDOCUMENTED PEOPLE TO REPORT THEIR LOSSES:** While FEMA says they can only help the children of undocumented families, not the adults, the Red Cross can provide support to anyone affected by Sandy. Many undocumented people are not coming forward to seek assistance, however, so they are not getting help to relocate or rebuild and their losses are not included in the data. Special efforts are needed to get these households engaged so they can receive the help they need.
3. **DISPENSE CDBG-DISASTER RELIEF FAIRLY AND OPENLY:** These funds need to be readily accessible to local jurisdictions and organizations capable of spending the money properly, fairly and expeditiously to both rebuild the affordable homes lost and support the economic needs of the affected areas. The funds should be administered as locally as possible to make sure real and priority needs are being met. Local jurisdictions should be required to address their local housing needs as part of their rebuilding plan, including the replacement of any deed-restricted homes lost as a result of the storm, as a condition of receiving CDBG funds for infrastructure or other

purposes. Money the state receives should be allocated to specific pre-approved programs to rebuild infrastructure, support homeowners and renters and create replacement homes.

4. **ENSURE ADEQUATE ACCESS TO TEMPORARY HOUSING:** There are several issues that have been identified in this area, and there may be more uncovered as the process is implemented. A significant concern is that FEMA's standard manufactured homes are too large for the majority of spaces in NJ's older mobile home parks (FEMA units are 70 feet long compared to NJ's typical 58 to 60 foot spaces). FEMA should either develop or purchase another model suited for New Jersey to address this.
5. **INCREASE THE LIHTC VOLUME CAP:** The Administration should ask Congress to make a special one-time increase to the LIHTC and volume cap, for rehab, new construction, and making homes accessible to lower-income people with mobility challenges in states affected by the storm.
6. **PROVIDE ADEQUATE HOMEOWNER ASSISTANCE:** Federal assistance to eligible home owners (CDBG DR and other) should be based on the cost for applicant households to rebuild or otherwise acquire housing that is affordable to them. This should include the cost of making homes compliant with the new FEMA flood insurance standards. Any restructuring of flood insurance premiums should include a graduated pricing structure so that lower income people will still be able to purchase flood insurance.
7. **FACILITATE NEEDED SUPPORT SERVICES:** Work with the Department of Health and Human Services (HHS) to obtain service funding to allow non-profits to provide supportive housing to individuals who need services in addition to vouchers.
8. **WEATHERIZATION:** Waive the US-DOE 12 year rule for weatherization work in general for storm-affected homes, as well as the obligation to seek an insurance or FEMA claim for emergency weatherization repairs and replacement of heating units.
9. **EXPAND QUALITY HOUSING COUNSELING FOR AFFECTED HOMEOWNERS AND RENTERS:** There is a huge need for additional qualified personnel to help people whose homes were destroyed or heavily damaged to understand and evaluate their options and find the best solutions to their long-term housing needs. We encourage HUD to ensure that a portion of New Jersey's pending CDBG allocation be used to increase the number of housing counselors over the next few years to address this need and support their agencies. In addition, FEMA should take steps to make sure their housing case management personnel are knowledgeable about housing options, housing costs and market conditions in New Jersey.

#### **The State of New Jersey should:**

1. **PROVIDE AN INVENTORY OF AVAILABLE HOMES AND SUPPORT THE CREATION OF ADDITIONAL HOMES:**
  - The State-Led Joint Recovery Task Force should make available the inventory of vacant, affordable homes, apartments and public housing units that was identified for use as temporary (and if applicable, permanent) housing.
  - The affordable housing development community has additional homes and apartments that could be added to the inventory, as well as projects in

development that with a modest amount of additional resources could be made available very soon.

- An inventory of REO properties owned or controlled by government agencies (i.e. HUD, FHA, Fannie Mae, Freddie Mac, etc.) in the affected areas should be developed and made available to CDCs and developers at below market prices to renovate and offer as replacement housing for storm victims.
2. **DEVELOP A COMPREHENSIVE STRATEGY TO MAXIMIZE RENTAL AND FOR-SALE HOUSING CHOICES** in or near communities where large numbers of displaced people previously lived. Relocation vouchers should be distributed with an emphasis on keeping families as close as possible to their original communities, so that children can stay in the same schools whenever possible.
  3. **CREATE AND SUPPORT A STRONG AND EFFECTIVE HOUSING COUNSELING NETWORK TO CARRY OUT THE ABOVE:** At least \$10 million in CDBG-DR funds should be provided over the next three years for locally- based housing counseling services to help affected households evaluate their options and overcome hurdles to securing permanent housing.
  4. **INCREASE CAPACITY AND ACCESS TO MENTAL HEALTH RESOURCES:** The mental health services currently available to Sandy victims are not adequate to meet their needs. New Jersey should develop a single point of entry for mental health support that is confidential, competent, and mobile, similar to the FEMA/Center for Mental Health Services-funded NY resource Project Hope –(see [http://www.omh.ny.gov/omhweb/disaster\\_resources/hurricane\\_update/index.html](http://www.omh.ny.gov/omhweb/disaster_resources/hurricane_update/index.html)) and should dedicate a website to available State mental health resources. Additionally, trained disaster response counselors should be located within local emergency departments and screening centers.
  5. **MAXIMIZE THE USE OF CDBG - DR FUNDS TO CREATE NEW HOUSING AND ADDRESS PRIORITY HOUSING NEEDS:**
    - a. **Flexible Development Capital:** In addition to a rebuilding fund for homeowners and small landlords, DCA should create a significant pool of funding (\$500 million) to support a variety of affordable and mixed income housing developments, both rental and for sale. This pool should be flexible so that funds can be combined with LIHTC and other programs to create homes for low-income families, people with special needs and other populations hard-hit by Superstorm Sandy.
    - b. **Home Express program/LIHTC:** Any CDBG DR dollars the department directs to create more rental housing in tandem with the LIHTC program should be used to create rental opportunities in the suburbs, or mixed income developments in urban areas. We are concerned that our ongoing housing development choices not exacerbate or repeat the past, in which we concentrated only low income developments in urban areas. It is essential that our urban communities have access to resources to develop mixed-income neighborhoods to help make our cities more vibrant.
  6. **WAIVE DCA/COAH/HMFA RESTRICTIONS** that impose barriers to the conversion to rental or subleasing (at cost) of Mt. Laurel homes built for owner-occupancy and currently vacant or for-sale, to permit owners (private or municipal) to make them available to people who lost homes in the storm on a temporary or permanent basis.

For example, AHA has 37 homes in Monmouth County that could be made available for rent if restrictions were lifted. Income guidelines for Mt. Laurel homes should be maintained during this process.

7. **ALLOW TOWNS TO SPEND THEIR LOCAL HOUSING TRUST FUND** money immediately, in accordance with plans submitted to DCA for appropriate housing uses.
8. **CREATE A LIST OF APPROVED CONTRACTORS** to reduce the risk that struggling property owners will be victimized by unscrupulous contractors. New Jersey should continue to monitor and address cases of contractor fraud aggressively and expeditiously.
9. **AVOID SIGNIFICANT BUILDING DELAYS:** DCA should make available a modest amount of CDBG DR or other funding (\$2 million) for local municipalities to hire temporary inspectors to conduct building plan approvals and construction inspections to address the high volume anticipated over the next few years. Alternately, the state could meet this pressing need by adopting temporary rules authorizing that plan approvals and inspections be done by qualified, licensed design professionals, modeled after recently developed DEP policies.
10. **SUPPORT LOCAL RECOVERY MANAGER NETWORK TO HELP MUNICIPALITIES REBUILD STRATEGICALLY:** Devote \$5 million over three years to support a team of 10 professional local recovery managers, to be embedded at the municipal level to help up to 15 affected communities plan and manage their rebuilding response in a cohesive and strategic way. Many municipalities are struggling with the planning process, as homeowners and renters make individual and highly personal decisions about their future.