



New Jersey Governor Christie Outlines \$1.8B Storm Fund Disbursement Proposal; \$200M Announced for Rebuilding Beaches

Client Advisories

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This week Governor Chris Christie outlined the State's Community Development Block Grant (CDBG) Disaster Recovery Action Plan, which will utilize \$1.83 billion in federal funds appropriated under the Disaster Relief Appropriations Act of 2013 to help homeowners, renters, businesses and communities impacted by Superstorm Sandy. The business component of the Plan includes grants to be administered by the New Jersey Economic Development Authority (NJEDA) of up to \$50,000 for storm-impacted small businesses, as well as low interest loans up to \$5 million. Also announced this week is the provision of approximately \$200 million in funding for U.S. Army Corps of Engineers flood control and beach replenishment projects along the coast.

Grants to Small Businesses

The Plan allocates \$300 million for grants of up to \$50,000 to small businesses (annual revenues up to \$5 million) as well as nonprofit organizations that sustained physical damage from Superstorm Sandy. Eligible uses of funds include costs related to rehabilitation, new construction, equipment, inventory, mitigation, refinancing and working capital.

Direct Loans to Small Businesses

The Plan allocates an additional \$100 million for low cost loans ranging from \$100,000 to \$5 million for storm-impacted small businesses and nonprofits. The loans are intended to assist businesses that suffered physical damage, as well as to spur economic revitalization by providing funding for expansion and new businesses in storm-impacted areas.

Disaster Recovery Action Plan Details

This \$1.83 billion is the first phase of CDBG Sandy relief funding, with additional funds expected in the coming months. The Christie administration is focusing the first phase of funds primarily on homeowners, renters, businesses and communities impacted by Superstorm Sandy. In accordance with HUD requirements, the

programs focus on low- and moderate-income residents and the most heavily affected counties: Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union.

CDBG Disaster Recovery funds are intended to address unmet needs not satisfied by private insurance, the Federal Emergency Management Agency (FEMA), the U.S. Small Business Administration (SBA), or other sources.

With HUD approval, the plan would provide aid to more than 20,000 homeowners, more than 5,000 renters and more than 10,000 businesses, Gov. Christie announced. In addition, dozens of local governmental units would receive aid for rebuilding damaged infrastructure and public facilities and to ensure local governments have sufficient resources to continue providing essential services without resorting to tax increases or other measures that may cause further hardship and distress in Sandy-impacted communities.

The plan also recommends \$25 million for “an aggressive marketing effort to let people both in the region and across the country know that New Jersey is rebounding and that the Jersey Shore will be open for business this summer,” Gov. Christie said.

Army Corps Flood Control & Beach Replenishment Projects

This week Congressman Frank Pallone announced the impending appropriation of approximately \$200 million under the Disaster Relief Appropriations Act of 2013 for flood control and beach replenishment projects along the coast. Specifically, \$90 million is anticipated to be made available for a long-standing Army Corps flood control project including the construction of nearly 7,070 feet of levees, 3,585 feet of floodwalls and 2,640 feet of dune and beach replenishment in the Port Monmouth section of Middletown, Monmouth County. Another \$50 million is expected to be spent on repairs to levees, a pump station, a floodwall and closure gates that were constructed four decades ago in Keansburg, Monmouth County. Remaining funds would be used to replenish 21 miles of beaches from Sandy Hook to Barnegat Inlet, which will constitute the largest beach nourishment project ever undertaken in the world in terms of sand volume.

[Read a news release with highlights of the Community Development Block Grant \(CDBG\) Disaster Recovery Action Plan](#)

[Read the full plan](#)

For information about how Archer can assist with storm recovery needs, contact any of our offices at the numbers below.

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