BUILDING A FAIRER DISASTER RECOVERY MODEL
THE FIRST SIX MONTHS OF THE CDBG-DR PROGRAM IN NJ

Adam Gordon
Fair Share Housing Center
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IMMEDIATE RESPONSE

• Network hosted HUD Secretary Donovan for discussions with stakeholders even before Congress passes appropriation

• Over 70 groups drafted framework for issues to raise prior to HUD notice being issued

• Statute and HUD notice learn from Katrina; include expanded HUD review of Action Plans, fairness and sustainability metrics
RENTERS AND OWNERS

• Unprecedented access to FEMA data early in the process (though it wasn’t easy) – joint national data release with Enterprise Community Partners and Furman Center
• Key issue emerges: fair treatment of renters vs. homeowners
• Renter impact: 23% African-American, 25% Latino (vs. 8% and 8% for owners)
• 67% of renter impact OUTSIDE urban centers; within cities significant gentrification risk
INITIAL SUCCESSES

• State proposes only 22% of resources to renters, even though 40% of impact was on renters
• FSHC, NAACP, Latino Action Network file Fair Housing Complaint in response to the plan
• Over 80 NJ groups write to Secretary Donovan to ask for changes to the plan
• HUD requires increasing resources for lower-income renters by $75m, including $15m for public housing.
INITIAL IMPLEMENTATION

Results from first three months of CDBG-DR rental program (including $60 million in additional funds added after changes):

1,814 new homes to replace depleted rental stock funded with 30+ year deed restrictions

Largely follows new QAP devised after two-year process with negotiations among broad array of stakeholders and NJ HMFA
- Prioritizing Affirmatively Furthering Fair Housing: 58% of homes outside urban areas, including many hard-hit communities with history of exclusionary zoning.

- Addressing Gentrification: Within urban areas, priority on communities with greatest housing challenges such as...
CHALLENGES IN IMPLEMENTATION

- 58% still less than the 67% of impact that was outside urban areas, and only 50% of family units outside urban areas

- Enforcement of Mount Laurel needed to overcome exclusionary zoning, build in high-opportunity areas

- Non-profit, PHA challenges accessing funds

- Preservation of Year 15 Properties
PRECEDE NT FOR FUTURE DISASTERS

• Sandy Recovery Task Force charged with developing a framework for future disasters – move away from one-off responses
• Over 100 NJ groups comment
• Key recommendations that came out of Sandy experience to date include:
  – Increasing data access that makes fair housing advocacy possible
  – Funding for multifamily development and PHAs similar to funding required in NJ
  – Partnering with local NGOs
THE ROAD AHEAD

- Expected allocation of approximately $8 billion in Sandy CDBG-DR in next few weeks

- HUD’s actions will provide first test of commitment to Task Force report implementation

- Magnitude of resources for long-term affordability and where those resources are used are key

- Continued organizing, advocacy, and legal action will be critical