

Settlement requires N.J. to review all rejected RREM applications from Sandy victims

By **DONNA WEAVER** Staff Writer | Posted: Friday, May 30, 2014 9:45 pm

The state must review all rejected applications by Hurricane Sandy victims for the RREM program following the settlement of a federal lawsuit Friday against the U.S. Department of Housing and Urban Development.

New Jersey will now prepare to review 1,979 rejected Reconstruction, Rehabilitation, Elevation, and Mitigation applications, said Adam M. Gordon, attorney for the Fair Share Housing Center, one of three civil rights organizations that filed the lawsuit in April.

(Read a copy of the settlement.)

The lawsuit involving the state's use of federal disaster recovery funds was filed against HUD by the Latino Action Network, New Jersey National Association for the Advancement of Colored People and Fair Share Housing Center.

The settlement released Friday requires a re-review of every denied application after information determined that nearly 80 percent of rejected applicants were incorrectly turned down, Gordon said.

The most recent data show the state has received 16,605 RREM applications since Hurricane Sandy, Gordon said.

“For homeowners, one of the key things here is that a lot of people who were deemed ineligible for RREM assistance will now for the first time have their application reviewed again,” Gordon said.

The agreement further requires applicants get the same priority that they would have received if not incorrectly rejected, as part of a broader plan by the state to clear the RREM wait list, according to a news release from the Fair Share Housing Center.

RREM provides up to \$150,000 to homeowners to restore storm-damaged homes, including rehabilitation, reconstruction, elevation, and/or mitigation activities.

The settlement announced Friday also requires the state to direct Hurricane Sandy funds to the hardest-hit communities, including the three most impacted counties — Ocean, Monmouth and Atlantic.

“One of the things that is really important here is that a lot of the money to date for renters hasn’t been going to the most impacted counties, and now 52 percent will go to Ocean and Monmouth counties and 20 percent would go to Atlantic County,” Gordon said Friday.

Those amounts in assistance for displaced renters match up with the amount of damage in the three counties, Gordon said.

The settlement agreement applies to the roughly \$800 million remaining in the first round of Sandy funding and the more than \$2 billion in the projected second and third rounds, a news release from the Fair Share Housing Center stated.

The state will be required to take additional steps throughout the remainder of federally funded Sandy recovery to increase resources available to lower-income renters who remain displaced. New Jersey will provide a combined \$240 million in direct housing assistance to lower-income households, according to the settlement agreement.

“Working together, we have been steadfast in ensuring that the largest amount by far of Sandy housing recovery aid reaches those most in need, and we've already devoted the majority of housing grants to low- and moderate-income families,” Gov. Chris Christie said Friday in a statement provided by HUD. “We can now take that commitment even farther, by bolstering our outreach, providing additional resources for both renters and low- and moderate-income homeowners, and incorporating feedback from housing advocates”

New Jersey NAACP President Richard Smith cq said the settlement agreement identified several areas where the state and the civil rights community could find common ground on how to make the recovery work well for everyone.

The settlement agreement also will improve the state’s outreach efforts for individuals with limited English proficiency, a HUD statement said.

Latino Action Network President Frank Argote-Freyre said Friday’s settlement will help Spanish-speaking New Jerseyans and others who are still out of their homes get information that wasn't provided to them before.

“This agreement is about opening doors to families who may not have been aware that there is help available to them. We’ve worked closely with the state of New Jersey to make certain taxpayer-funded disaster recovery programs have the broadest possible reach,” said HUD Secretary Shaun Donovan cq.

Contact Donna Weaver:

609-513-6686

DWeaver@pressofac.com

Follow Donna Weaver on Twitter @DonnaKWeaver