

NJDEP Superstorm Sandy Blue Acres Buyout Program



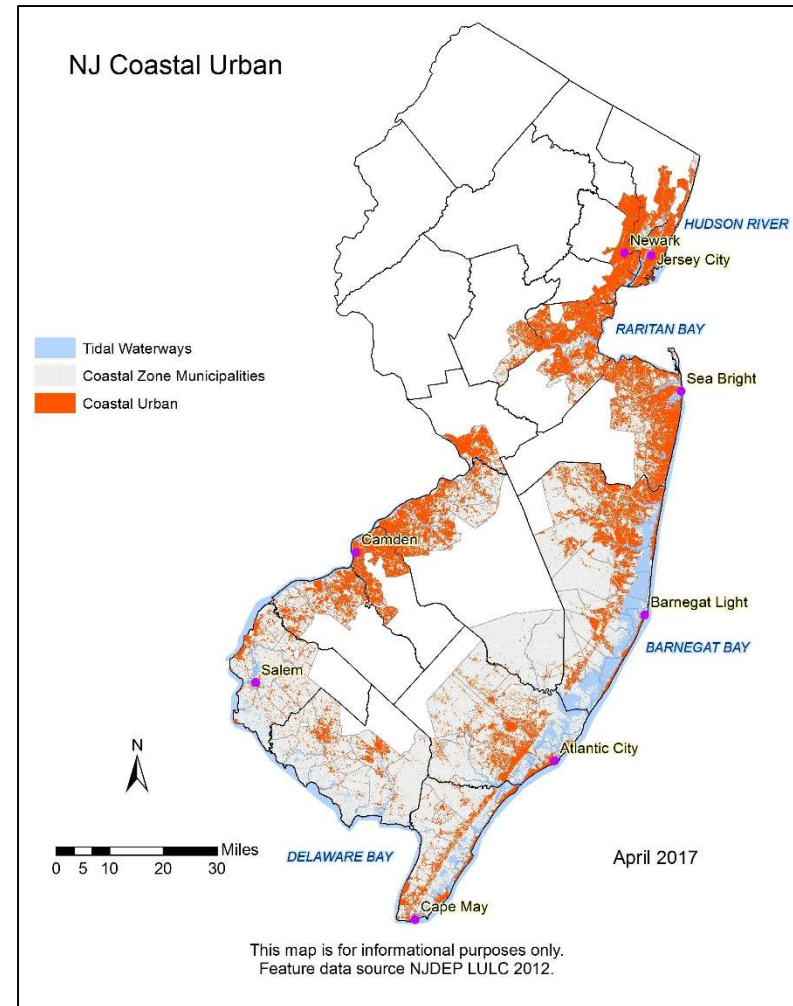
FAWN MCGEE

**DIRECTOR, NJDEP BLUE ACRES
BUYOUT PROGRAM &
BUREAU CHIEF, STATE LAND
ACQUISITION**

Flooding is NJ's #1 Natural Hazard*

Risks:

- ▶ Rising Sea Level
- ▶ Storm Intensity Increasing
- ▶ Coastal Erosion
- ▶ Over-Development
 - Stormwater Run-off



*FEMA, August 4, 2004

A Densely Populated, Flood-Prone State

Superstorm Sandy:

- 40 deaths
- > 300,000 houses damaged
- 2.8 million lost power
- 600 roads/tunnels closed
- Bus & train systems disrupted
- Water, sewage & electrical plants inoperable
- \$382 M in commercial property damages
- \$64 million in business interruption

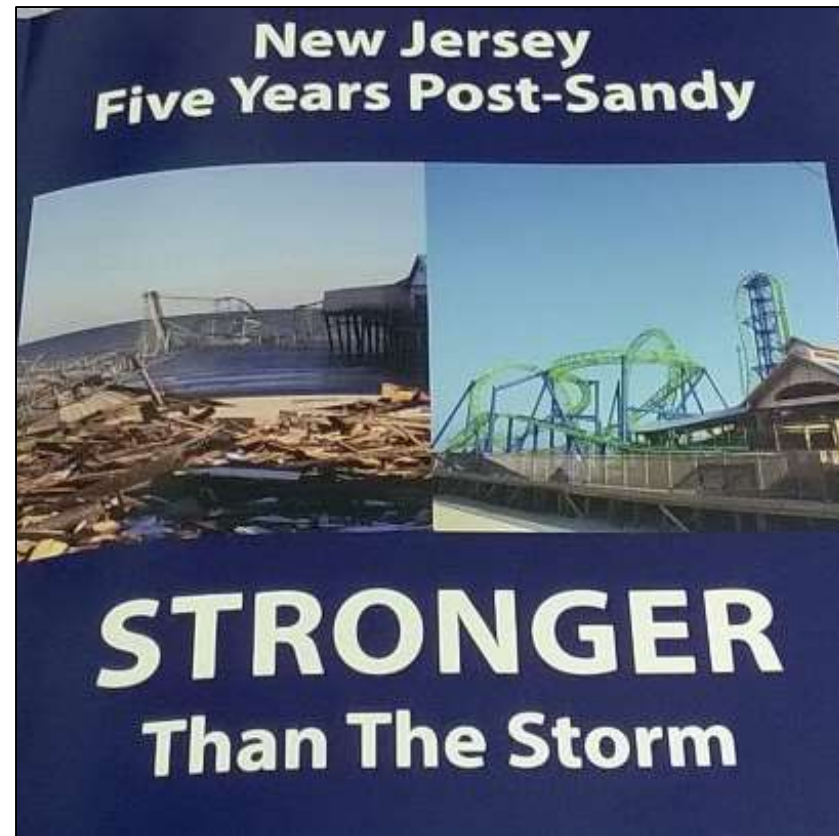


Flood Insurance is NOT the Answer



New Jersey's Approach to Resilience

- ▶ Improving Infrastructure
- ▶ Comprehensive Shore Protection System
- ▶ Rebuild by Design
- ▶ RREM (Elevation)
- ▶ Blue Acres Buyouts



Sandy Blue Acres Buyout Program

- ▶ Created in 1995 with \$15M ballot referendum
- ▶ Arm of Green Acres for flooding buyouts
- ▶ 2013: BA appointed to lead Sandy buyout efforts
 - Mission: To purchase 1,300 homes damaged by Sandy from *willing* sellers, at pre-storm values.



Criteria for a Blue Acres Buyout

1. Flood damage from Superstorm Sandy or repeated flooding
2. Clusters of homes
3. Willing sellers/support of local officials
4. Opportunity for significant impact on environment, or public health, safety, and welfare
5. Repeated NFIP claims
6. Benefit-cost analysis



Funding Sources

- ▶ Secured \$375 million in funding
 - FEMA HMGP:
 - \$185 million
 - HUD CDBG–Disaster Recovery:
 - \$175 million
 - State bond funds:
 - \$15 million



Recognition

- ▶ HUD:
 - Exemplary Practice (2015)
- ▶ FEMA:
 - National Best Mitigation Practice (2015)
- ▶ FEMA:
 - Designated Blue Acres a *“Community”* for ICC purposes (2017)



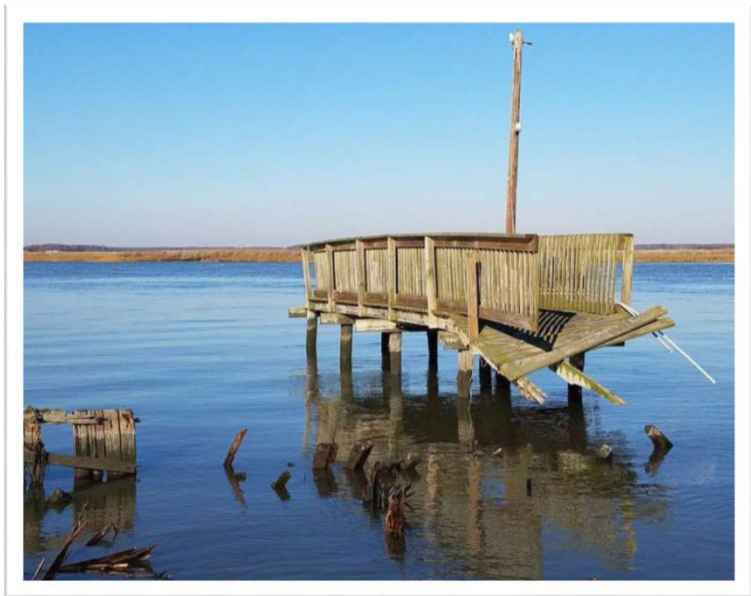
Achievements*

- ▶ 969 homes approved for purchase
- ▶ 895 offers made
- ▶ 692 offers accepted
- ▶ 621 sales closed
- ▶ 507 properties demolished
- ▶ >\$5.1M in debt forgiveness for 66 families



*As of December 22, 2017

500th Demo



Case Study: Woodbridge

- ▶ Dec. 2013 = 70 properties
- ▶ June 2014 = 70 properties
- ▶ Oct. 2017 = 38 properties
- ▶ Local ordinance: OSC/R:
 - Annual Registration
 - Prohibits resale without elevation
 - Stricter code for new construction
- ▶ Rutgers restoration plan



The Need and the Work Continues

- ▶ 1,406 SRL properties
- ▶ 14,655 RL properties
- ▶ FEMA funding application:
 - 62,000 properties
 - \$18.5 billion dollars
- ▶ Expended \$162M from the total \$375M
- ▶ FEMA: additional \$16M
- ▶ HUD: additional \$75M



Lessons Learned

- ▶ Local govt. buy-in
- ▶ Strong relationship with funding agencies
- ▶ A consistent (but flexible) process
- ▶ Established procedures
- ▶ Compassionate case managers
- ▶ A sense of humor



Thank you!

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