

## 2. Statement of Proposed Activities

The Gloucester County Department of Economic Development, Office of Housing and Community Development (formerly the Division of Planning, Office of Housing and Community Development) has managed an owner-occupied housing rehabilitation program for over 30 years, utilizing HUD Community Development Block Grant (CDBG) and HOME Investment Partnership funds. The county supplements these projects with recaptured funds, USDA Housing Preservation Grant (HPG) funds and other state and federal resources. The Housing Rehabilitation Program, administered by Christina Velazquez under the Department of Economic Development, aims to deliver safe, decent and sanitary housing.

As outlined in the Gloucester County Homeowner Rehabilitation Procedure Manual (Section 15), the program's objectives are:

- To provide safe, affordable housing for county residents.
- To encourage widespread interest in neighborhood preservation.
- To collaborate with other programs for maximum impact.

### a. Type of and Conditions for Financial Assistance

The Gloucester County Homeowner Rehabilitation Program is open to all county homeowners with household incomes below 80% of the County Median Income (HUD Low/Moderate Income level). The 2025 Income Limits, published by HUD in June 2025 (Section 15), remain effective until updated in Spring 2026.

The county prioritizes extremely low-income (below 30% of County Median Income) and very low-income (30–50% of County Median Income) households who face significant housing deficiencies due to limited disposable income and deferred maintenance. All households at or below 80% median income are eligible for USDA HPG funds.

Eligible homeowners receive deferred loans, secured by a Mortgage Note and Lien recorded at the county courthouse, with repayment required upon title transfer. The maximum assistance is currently \$25,000 per unit, subject to periodic review for potential increases. The county has averaged \$1,200,000 in CDBG funding (a federal allocation), distributing approximately \$300,000 yearly for housing rehabilitation, including recaptured funds. The Fifth Year Annual Action Plan (2020–2024 Consolidated Plan) allocated \$250,071 for affordable housing development. All loan repayments are reinvested into the Housing Rehabilitation budget line item.

In the 2024 CDBG program year (9/1/2023–8/30/2024), the county spent \$228,000 in CDBG/HOME funds to rehabilitate 29 housing units.

**b. Process for Selecting Recipients for HPG Assistance**

Gloucester County employs continuous marketing and outreach through newspaper notices, the county website and referrals from county and nonprofit service providers. The Department of Economic Development maintains a first-come, first-served waiting list, prioritizing emergencies such as lack of heat, water or serious health and safety threats. Approved homeowners in designated municipalities receive up to \$10,000 in HPG assistance, which may contribute to the \$25,000 limit or, if justified, increase to \$33,000. Assistance remains a deferred loan, repayable upon title transfer.

**c. Process for Identifying Potential Environmental Impacts**

The Gloucester County Homeowner Rehabilitation Program, funded by CDBG and HOME programs, has completed a NEPA Tier 1 Environmental Review, assessing Air Quality, Coastal Zone Barriers, Sole Source Aquifer, Endangered Species, Wild and Scenic Rivers, Farmland Preservation, Noise Abatement, Runway Clear Zones, and Environmental Justice. Each participating property undergoes detailed environmental screening, including reviews of National Wetlands Inventory and Flood Plain maps. Properties in flood plains must carry flood insurance. Site visits ensure no hazardous operations or contamination affect the property, with findings recorded in the environmental review record.

Properties are inspected for code violations and lead hazards. For homes over 50 years old, photos and rehabilitation specifications are submitted to the New Jersey State Historic Preservation Office for approval before bidding. Colliers Engineering and Design Consulting PA conducts inspections and prepares work write-ups, while Environmental Testing Consulting LLC performs lead risk assessments when needed. Interim and final inspections verify compliance with specifications, and post-rehabilitation lead testing is conducted where remediation or abatement occurs.

**d. Development Standards for Housing Preservation Work**

The Department of Economic Development aims to improve each property to New Jersey State Rehabilitation Code Standards, set by the NJ Department of Community Affairs, Division of Codes and Standards. The county will ensure compliance with USDA Rural Development standards, updating the Homeowner Rehabilitation Procedures Manual if necessary.

**e. Time Schedule for Completing the Program**

With \$150,000 in HPG funding, Gloucester County plans to rehabilitate up to 15 units at \$10,000 per unit. From 2020–2024, the county rehabilitated 142 owner-occupied homes using HPG funds, all for households below 50% AMI. Based on prior experience, the county expects to spend \$150,000 in HPG funds within 24 months. Since 2010, Gloucester County has received \$770,334.74 in HPG funding, honing its ability to administer the program efficiently.

**f. Staffing Requirements**

The Department of Economic Development has procured Triad Associates to administer the Homeowner Rehabilitation Program, with Housing and Community Development staff providing support as needed. Colliers Engineering and Design Consulting PA handles inspections and work write-ups, and Environmental Testing Consultants, LLC conducts lead inspections. This blend of county staff and contracted professionals has proven effective and will continue.

**g. Estimated Number of Very Low-Income Minority and Non-Minority Persons to be Assisted**

HPG funds will assist households at or below low -moderate income with a priority to extremely low- and very low-income households. With \$150,000 in funding, up to 15 units will receive up to \$10,000 each. Program statistics indicate that approximately 19% of participants have disabilities, 13% are minorities, and 72% are elderly. Thus, an estimated 3–4 minority households, 2–3 households with disabilities, and 7 senior households will receive HPG assistance.

**h. Geographical Areas to be Served**

Due to Gloucester County's proximity to Camden, NJ, and Philadelphia, PA, some areas are not classified as "rural" per USDA mapping. Eligible areas, per the 2023 Census.gov ACS 5-Year Estimate, include: Borough of Clayton (pop. 8,867), East Greenwich Township (pop. 11,795), Elk Township (pop. 4,426), Franklin Township (pop. 16,417), Greenwich Township (pop. 4,942), Harrison Township (pop. 13,679), Logan Township (pop. 6,023), Mantua Township (pop. 15,318), Borough of National Park (pop. 3,043), Borough of Newfield (pop. 1,811), Borough of Paulsboro (pop. 6,213), South Harrison Township (pop. 3,411), Borough of Swedesboro (pop. 2,720), Borough of Woolwich (pop. 13,056), and parts of Monroe Township and West Deptford (added in 2023). A project area map and statistics are included in Section 6.

**i. Annual Estimated Budget**

From 2020–2024, the county budgeted an average of \$370,000 annually for the Homeowner Rehabilitation Program, occasionally increasing assistance through additional state or federal funds. Since hiring Christina Velazquez in 2007, the county has consistently applied for USDA HPG funds, a practice it resumed after the 1990s. Quarterly drawdowns will continue, as done for 2010–2023 grants. Recent CDBG/HOME Program Income budgets for housing rehabilitation include:

- 2020: \$449,995
- 2021: \$341,114
- 2022: \$457,370
- 2023: \$342,326
- 2024: \$324,743

The county aims to maintain at least \$250,000 annually for this activity, supported by past USDA HPG funding.

j. Indirect Cost Proposal

No indirect cost proposal is submitted, as all funds are dedicated to housing rehabilitation assistance.

k. Accounting System

The county uses a modified accrual-based accounting system.

l. Evaluation Method

The Department of Economic Development tracks applicant data, including name, address, municipality, female head of household status, race, income level, disability status, contractor, contract amount, scope of work, start and payment dates, program year and funding sources. Assistance is provided as interest-free deferred loans. For homes over 50 years old, State Historic Preservation letters are included in case files before bidding. HPG funds are not used for replacement housing. The division has prepared HPG status reports since FY2016 and will continue to submit complete, timely reports.

m. Other Financial Resources

The program primarily relies on CDBG and HOME funds, with a 2024 budget of \$349,956 (CDBG: \$194,474; HOME: \$155,482) for owner-occupied housing rehabilitation.

Additional budgets include \$100,000 for Homebuyer Assistance, \$180,000 for Tenant-Based Rental Assistance and \$100,000 for Community Housing Development Organization projects. The CDBG Program also funds municipal projects improving public infrastructure or facilities in low- and moderate-income neighborhoods, many of which align with HPG-targeted municipalities.

n. Use of Program Income

All program income, approximately \$20,000 annually in recaptured HUD funds, is reinvested into the housing rehabilitation program to assist future extremely low-income residents.

o. Plan for Disposition of Security Instruments

HPG funds are secured by a Mortgage Note and Lien, recaptured by the county upon title transfer. As the county's legal status to operate is stable, no disposition plan for security instruments is needed.

p. Other Information

The complete Gloucester County Homeowner Rehabilitation Procedure Manual, including administrative forms, is provided in Section 15.

q. Outreach Efforts

The county will maintain effective outreach methods, including local newspaper notices, the county website, and referrals from county and nonprofit service providers. Public notices for the HPG and CDBG/HOME hearing are included in Section 13.