



Section 8. Repetitive Loss Strategy

8.1 Background

44 CFR 201.4(c)(3)(v): A State may request the reduced cost share authorized under §79.4(c)(2) of this chapter for the FMA and SRL programs, if it has an approved State Mitigation Plan ... that also identifies specific actions the State has taken to reduce the number of repetitive loss properties, which must include properties identified as severe repetitive loss, and specifies how the State intends to reduce the number of such repetitive loss properties.

44 CFR 201.4(c)(3)(v):In addition, the plan must describe the strategy the State has to ensure that local jurisdictions with severe repetitive loss properties take actions to reduce the number of these properties, including the development of local mitigation plans.

The Severe Repetitive Loss (SRL) Program was established under the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (Public Law 108-264), which amended the National Flood Insurance Act of 1968. The overall objective of the Reform Act was to provide funding to reduce or eliminate claims from SRL properties under the National Flood Insurance Program (NFIP).

Prior to July 2013, the SRL program promoted projects that would result in the greatest savings to the National Flood Insurance Fund (NFIF). The SRL program distributed funds to local governments that support flood mitigation within NFIP communities. Participating entities were eligible to receive a reduced cost share wherein the traditional, non-federal 25% match for projects may be reduced to 10%. This offer was extended to states, territories, and federally recognized Indian tribes with Federal Emergency Management Agency (FEMA)-approved standard or enhanced mitigation plans that include a strategy for mitigating existing and future SRL properties.

In July 2013, the Biggert Waters Reform Act of 2012 (BW-12) eliminated the SRL program, consolidating programs targeting SRL and repetitive loss properties (RL). BW-12 includes measures that ultimately bring all SRL property premiums to actuarial rates over time under the Unified Hazard Mitigation Assistance (HMA) guidance. This new legislation may cause more SRL property owners to mitigate, with or without federal funding. According to the Unified HMA guidance, SRL properties are addressed under HMA grant programs, and specifically under the Flood Mitigation Assistance (FMA) Program.

For the FMA program, FEMA may contribute funding to eligible projects as follows.

- Up to 100% federal cost share for SRL properties or the expected savings to the NFIP for acquisition or relocation activities. The Greatest Savings to the Fund (GSTF) value for property acquisition may be offered to the property owner if the project is not cost-effective using pre-event or current market value;
- Up to 90% federal cost share for RL properties; and
- Up to 75% federal cost share for NFIP-insured properties.

Cost share requirements are summarized in Table 8-1 below. Therefore with the inclusion of the RL strategy in this plan, cost shares of up to 90%/10% and 100%/0% are available for eligible projects as noted below.



Table 8-1. FEMA Cost Share Breakdown

Programs	Mitigation Activity (Percent of Federal / Non-Federal Share)	Grantee Management Costs (Percent of Federal / Non-Federal Share)	Subgrantee Management Costs (Percent of Federal / Non-Federal Share)
HMGP	75/25	100/0	–/– ⁽¹⁾
PDM	75/25	75/25	75/25
PDM – subgrantee is small impoverished community	90/10	75/25	90/10
PDM – Tribal Grantee is small impoverished community	90/10	90/10	90/10
FMA – insured properties and planning grants	75/25	75/25	75/25
FMA – repetitive loss property ⁽²⁾	90/10	90/10	90/10
FMA – severe repetitive loss property ⁽²⁾	100/0	100/0	100/0

(1) Subapplicants should consult their State Hazard Mitigation Officer (SHMO) for the amount or percentage of HMGP subgrantee management cost funding their State has determined to be passed through to subgrantees.

(2) To be eligible for an increased Federal cost share a FEMA-approved State or Tribal (Standard or Enhanced) Mitigation Plan that addresses repetitive loss properties must be in effect at the time of grant award, and the property that is being submitted for consideration must be a repetitive loss property.

Source: FEMA Unified Mitigation Guidance 2013

- FEMA Federal Emergency Management Agency
- FMA Flood Mitigation Assistance
- HMGP Hazard Mitigation Grant Program
- PDM Pre-Disaster Mitigation Program

Eligible properties included in a project subapplication for FMA funding must be NFIP-insured at the time of the application submittal. Flood insurance must be maintained through completion of the mitigation activity and for the life of the structure.

Residential or non-residential properties currently insured with the NFIP are eligible to receive FMA funds. In order to receive an increased federal cost share, properties must meet one of the definitions below (consistent with the legislative changes made in the BW-12):

A SRL property is a structure that:

- (a) Is covered under a contract for flood insurance made available under the NFIP; and
- (b) Has incurred flood related damage
 - (i) For which four or more separate claims payments have been made under flood insurance coverage with the amount of each such claim exceeding \$5,000, and with the cumulative amount of such claims payments exceeding \$20,000; or
 - (ii) For which at least two separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the market value of the insured structure.



A RL property is a structure covered by a contract for flood insurance made available under the NFIP that:

- (a) Has incurred flood-related damage on two occasions, in which the cost of the repair, on average, equaled or exceeded 25% of the market value of the structure at the time of each such flood event; and
- (b) At the time of the second incidence of flood-related damage, the contract for flood insurance contains increased cost of compliance coverage.

Consistent with the legislative changes made in BW-12, cost-share availability under the FMA program depends on the type of properties included in the grant. For example, SRL properties may receive up to 100% federal funding and RL properties may receive up to 90%.

In the case of mitigation activities to severe repetitive loss structures:

- FEMA may contribute up to 100% federal funding of all eligible costs, if the activities are technically feasible and cost-effective; or
- The expected savings to the NFIP from expected avoided damages through acquisition or relocation activities, if the activities will eliminate future payments from the NFIP for SRL structures through an acquisition or relocation activity.
- In the case of mitigation activities to repetitive loss structures, FEMA may contribute up to 90% federal funding of all eligible costs.
- In the case of all other mitigation activities, FEMA may contribute up to 75% federal funding of all eligible costs.

Structures with varying cost-share requirements can be submitted in one application. Applicants must provide documentation in the project application showing how the final cost share was derived. The final cost share will be entered into the eGrants system and documentation.

The New Jersey Department of Environmental Protection (NJDEP) has been delegated authority as the State Coordinating Agency (SCA) for the NFIP, managing activities pertaining to New Jersey's RL and SRL properties. The NJDEP provides technical support to the New Jersey Office of Emergency Management (NJOEM) which is responsible for:

- Developing and maintaining the State Hazard Mitigation Plan
- Encouraging communities to address RL and SRL properties in their local hazard mitigation plan mitigation strategy
- Reviewing HMA/FMA program sub-applications
- Recommending technically feasible and cost effective sub-applications to FEMA
- Providing pass-through funding for FEMA-approved project grants to the eligible sub-applicants

Additionally, NJOEM is tasked with ensuring that projects funded by the program are appropriately completed and that all relevant performance and financial reporting requirements are met.

8.1.1 Requirements for Repetitive Loss Strategy

To be eligible for an increased federal cost share, a FEMA-approved state or tribal (standard or enhanced) mitigation plan that addresses RL properties must be in effect at the time of grant award and the property must be a RL property. Guidance on addressing repetitive loss properties can be found in the State Multi-Hazard Mitigation Planning Guidance and in 44 Code of Federal Regulations (CFR) Section 201.4(c)(3)(v). The



State's RL Strategy, as detailed in this section, will identify the specific actions the State has taken to reduce the number of RL properties, which must include SRL properties. In addition, the hazard mitigation plan must describe the State's strategy to ensure that local jurisdictions with SRL properties take actions to reduce the number of these properties, including the development of local or tribal mitigation plans.

8.2 New Jersey's Repetitive Loss Mitigation Strategy

44 CFR 201.4(c)(3)(v): In addition, the plan must describe the strategy the State has to ensure that local jurisdictions with severe repetitive loss properties take actions to reduce the number of these properties, including the development of local mitigation plans.

8.2.1 Current Outreach Strategy

The SRL outreach strategy in the State 2011 Plan is based on providing education on the benefits of mitigating RL properties; available funding; and technical support of grant applications. State agencies including NJOEM and NJDEP have been actively supporting the mitigation of RL properties via methods noted in Section 3 (Coordination of Local Planning) and Section 6 (Mitigation Strategy) of this plan. NJOEM provides guidance and outreach to all state communities through digital methods (via emails to mitigation contacts) and workshops at the inception of each pre-disaster and post-disaster grant period. At that time, the State indicates the prioritization of RL properties in its grant announcement as well as in its existing grant prioritization score sheet. This has been effective in disseminating information.

The State Mitigation Strategy consists of the following objectives:

- Ensure that local jurisdictions with SRL properties take actions to reduce the number of these properties
- Include SRL in the description of process for providing funding and technical assistance to prepare mitigation plans
- Prioritize project grants for communities that have RL and SRL properties.

In previous disasters, the State OEM solicited Letters of Intent (LOI's) from affected stakeholders seeking mitigation funds. Those LOI's were ranked utilizing the scorecard set forth in Table 8-2 which provides additional points for projects that address the mitigation of SRL and RL properties. Following Superstorm Sandy, however, the State augmented mitigation funds with monies made available through the supplemental appropriations bill passed by Congress. As such, the State developed mitigation-focused programs (i.e. energy resilience, residential elevation and buyout programs). These post-Sandy programs were subject to individual and objective application criteria. A large focus, however, continued to be made with respect to SRL and RL properties. For example, the State is utilizing a combination of mitigation and other federal dollars to undertake the buyout of repetitive loss properties in various municipalities.



Table 8-2 Project Ranking Score Sheet

Criterion	Points	Score
General Information (maximum 85 points)		
Is this project specifically identified in the State/Local Plan?	35	
OR - Is this type of project identified in the applicant's State/Local Plan?	20	
Was the local plan FEMA-approved prior to the declaration (HMGP)?	10	
Is this project in the declared area?	20	
Is this project in a CRS community?	20	
Environmental (maximum 5 points)		
CATEX eligible?	5	
Assessment required?	3	
Requires Full Environmental Impact Statement	1	
Cost Effective (maximum 15 points)		
Good BC study provided	5	
Plan update project (no BC required)	5	
Planning project - updates (no BC required)	5	
Weak BC study provided – no back up documentation	-5	
BC analysis required but not provided	-10	
Engineering feasibility score (1-20)		
State Strategy Points (maximum 65)		
Is the property on the SRL list?	50	
Is the structure a repetitive loss structure?	30	
Is the structure within a floodplain?	5	
Is the structure required to have NFIP coverage but does NOT?	YES	
Residential elevation	10	
Residential acquisition	10	
Flood water management	7	
Retrofit projects	5	
Warning and Public Information Systems	5	

BC *Benefit Cost*
CATEX *Categorical Exclusion*
CRS *Community Rating System*
FEMA *Federal Emergency Management Agency*
HMGP *Hazard Mitigation Grant Program*
NFIP *National Flood Insurance Program*
SRL *Severe Repetitive Loss*



8.2.2 Changes to Outreach Strategy

The basis of the State's RL strategy depends on outreach that defines the true risk of owning an unmitigated SRL property. The strategy also targets proactive measures that can be taken to reduce future losses and hence reduce the burden and costs associated with the cycle of flood damage. Education and awareness is one of the primary aspects of the outreach strategy and is integral in reducing SRL properties. Additional outreach strategies to be utilized to inform affected populations will include:

- Schedule regional mitigation grant presentations and question and answer sessions for local governments, homeowners, and business owners
- Work with New Jersey Association for Floodplain Management (NJAFM) and New Jersey Code and Building Officials Organizations to educate local officials about the benefits of mitigation and the effects of BW-12
- Encourage regional meetings as a networking opportunity for potential flood mitigation applicants
- Work with local universities to develop a program to use students to develop local outreach strategies

8.2.3 Severe Repetitive Loss Actions and Projects

The State has placed a high priority on the mitigation of RL and SRL properties as evidenced by the successful mitigation of 658 SRL properties in the State. As noted in Section 3 (Coordination of Local Planning), the State actively coordinates and prioritizes planning and project grant funding and continues to use SRL and RL as prioritized mitigation actions.

In the wake of Superstorm Sandy and the massive impact on vulnerable properties, the State has continued to place a high priority on the mitigation of SRL properties. According to the State of New Jersey Hazard Mitigation Grant Program Administrative Plan (FEMA-4086-DR-NJ), under a state-run acquisition and/or reconstruction/elevation program, eligible identified projects include Substantially Damaged (SD), RL, and SRL properties (refer to Annex A for the Plan). The State prioritizes eligible properties based on the following criteria:

- Clusters of SD properties in proximity to publically owned or preserved undeveloped natural areas containing sensitive and/or regulated features, and/or Coastal Barrier Resource Act (CBRA) zones
- Clusters of SRL or RL properties in proximity to publically owned or preserved undeveloped, natural areas containing sensitive and/or regulated features and/or CBRA zones
- Special Flood Hazard Area (SFHA) properties
- Other properties

The effectiveness of this focus is illustrated by Table 8-3 which lists New Jersey repetitive loss (RL and SRL) properties that have been elevated or acquired and demolished to date. Figure 8-1 illustrates this data.



Table 8-3. Number of Properties Mitigated by Municipality

Municipality	Number of Properties
City of Absecon	3
City of Atlantic City	39
Borough of Avalon	62
Borough of Barnegat Light	1
Township of Branchburg	2
Borough of Beach Haven	8
Township of Bridgewater	3
City of Brigantine	16
Township of Burlington	1
City of Cape May	11
Borough of Cape May Point	3
Township of Cinnaminson	1
Town of Clifton	1
Township of Cranford	1
Township of Downe	31
Township of Eagleswood	1
Township of Egg Harbor	11
City of Elizabeth	1
Township of Elsinboro	1
Township of Ewing	1
Township of Fairfield	10
Borough of Flemington	1
Borough of Frenchtown	1
Galloway Township	1
Hackensack Meadowlands Commission	3
Township of Hamilton	3
Township of Harmony	13
Borough of Harvey Cedars	2
Borough of Highlands	2
Borough of Hillsdale	2
Borough of Keansburg	2
Town of Kearny	1
Township of Kingwood	2
Township of Knowlton	1
Township of Lacey	2
Borough of Lincoln Park	13
City of Linden	1
Borough of Lodi	2
Township of Long Beach	19
Borough of Longport	5
Township of Lopatcong	1



Municipality	Number of Properties
Township of Lumberton	1
Township of Lyndhurst	1
Township of Manalapan	1
Borough of Manasquan	5
Borough of Mantaloking	1
City of Margate	9
Township of Maurice River	2
Township of Middle	25
Borough of Middlesex	7
Borough of Middletown	5
Borough of Mount Ephraim	1
City of North Wildwood	8
Borough of Oakland	20
City of Ocean City	62
Township of Ocean	2
Borough of Oceanport	4
Township of Parsippany - Troy Hills	15
Township of Pemberton	1
Township of Pennsauken	1
Township of Pequonnock	18
Town of Phillipsburg	1
City of Pleasantville	2
Borough of Point Pleasant	4
Borough of Pompton Lakes	10
City of Rahway	7
Township of Rochelle Park	5
Borough of Roselle	2
City of Sea Isle City	2
Borough of Seaside Park	2
Borough of ShipBottom	1
Township of Stafford	8
Borough of Stockton	1
Borough of Stone Harbor	15
Borough of Surf City	6
Township of Toms River	5
Borough of Totawa	1
City of Trenton	2
Borough of Tuckerton	3
Borough of Union Beach	1
Township of Upper	3
City of Ventnor	2
Township of Washington	1



Municipality	Number of Properties
Township of Wayne	81
Borough of West Cape May	2
Borough of West Wildwood	14
Borough of Westville	1
Township of White	1
City of Wildwood	1

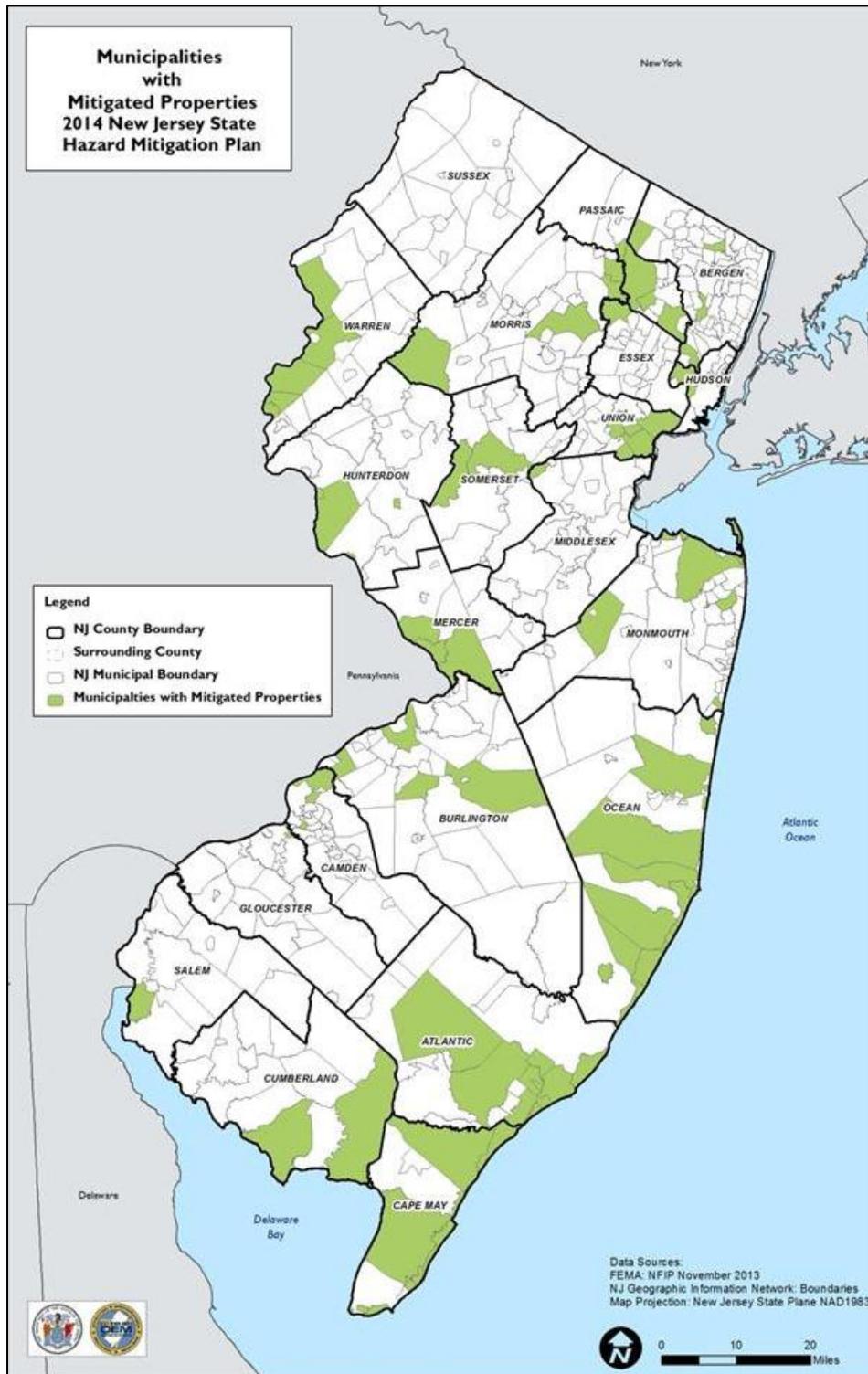
Source: NJDEP 2013 download from NFIP Web Data Exchange

Note: Data was downloaded off of the NFIP Web Data Exchange on November 2013.

SRL Severe Repetitive Loss



Figure 8-1. Location of Properties Mitigated by Municipality



Source: NJDEP 2013download from NFIP Web Data Exchange

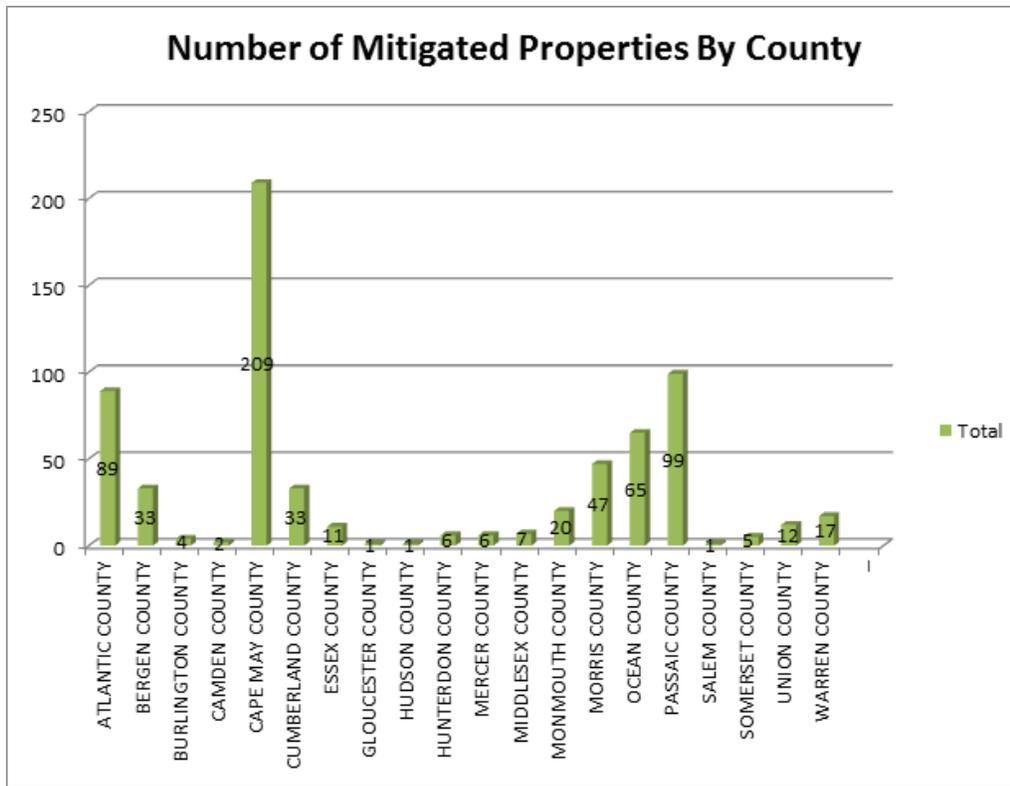
Note: Data was downloaded off of the NFIP Web Data Exchange on November 2013.

SRL Severe Repetitive Loss



A summary of the number of repetitive loss (RL and SRL) properties that have been mitigated in New Jersey is provided in Figure 8-2 below.

Figure 8-2. Number of Mitigated New Jersey Repetitive Loss Properties, by County



Source: NJDEP 2013 download from NFIP Web Data Exchange

Note: Data was downloaded off of the NFIP Web Data Exchange on November 2013.

8.2.4 Reduction of Repetitive Loss Properties

New Jersey is committed to continuing the reduction of RL and SRL properties in the State. Building on the foundation of the previous FEMA SRL program, the State is re-emphasizing its commitment to mitigating losses to flood prone properties through a range of actions, including:

- Promulgating guidance and requirements to local municipalities. The guidance includes plan review criteria so that jurisdictions with RL and SRL properties clearly understand the importance of having an approved plan, with regard to qualifying for FEMA mitigation grant program funding.
- Assigning a high priority to mitigating SRL and RL properties in the State Hazard Mitigation Plan
- Using the sub-grant application scoring methodology to prioritize project applications (see above)
- Performing detailed study of risks and costs of mitigating properties and identifying the most at risk and most cost effective to mitigate.
- Delivering training and technical assistance to the jurisdictions with the greatest numbers of RL and SRL properties. This effort includes providing the same level of training to the top SRL/RL counties in the State that FEMA provided to New Jersey when the FEMA initiated the SRL program. The State will incorporate FEMA guidance and training when it delivers training and assistance.



- Providing local and regional jurisdictions with annual updates to SRL and RL lists, and FEMA actuarial calculations of the potential benefits of mitigation actions for SRL and RL properties.

8.2.5 Using Loss Estimates in Local Mitigation Plans

In order to ensure awareness of RL properties, NJOEM provides guidance to local jurisdictions as mitigation plans are developed, indicating that RL areas must be addressed in the plans. Per the 2011 Plan, the State will issue guidance requiring local and regional plans to include detailed loss estimates for RL and SRL properties. The State will provide each jurisdiction the most current RL and SRL lists at the onset of the planning process in addition to the most recent FEMA calculation of avoided damages for 30-year and 100-year time horizons. In this manner the State will reinforce the importance of mitigating these properties at the jurisdiction level. In addition, during the local and regional plan development, the State will attend kickoff meetings and will offer technical assistance to local and regional jurisdictions in developing plans to ensure cross-jurisdictional consistency.

The State has experienced a number of disasters during the effective period of this plan stretching the limited resources of the NJOEM, allowing partial implementation of this strategy based on the resources available. Outreach to jurisdictions in the planning process has resulted in the provision of RL and SRL data in the majority of local plans. However, distribution of FEMA actuarial data regarding avoided damages has not been consistently applied.

A summary of RL and SRL data available in local plans is provided in Table 8-4 below.

Table 8-4. Available RL and SRL Data in Local County Plans

County	RL	SRL	Mapped in the Local County Plan
Atlantic	Yes	No	Yes
Bergen	Yes	Yes	No
Burlington	Yes	No	No
Camden	Yes	Yes	Yes - SRL, No - RL
Cape May	Yes	Yes	Yes (RL,SRL)
Cumberland	Yes	Yes	Yes
Essex	No	No	N/A
Gloucester	Yes	Yes	Yes
Hunterdon	Yes	Yes	Yes
Hudson	Yes	Yes	Yes
Mercer	Yes	Yes	Yes
Middlesex	Yes	Yes	Yes
Morris	Yes	Yes	Yes
Monmouth	Yes	No	Yes
Ocean*	<i>Plan in progress</i>		
Passaic	Yes	Yes	Yes



County	RL	SRL	Mapped in the Local County Plan
Salem	Yes	No	Yes
Somerset	Yes	Yes	Yes
Sussex	Yes	No	Yes
Union	Yes	Yes	Yes
Warren	Yes	Yes	Yes

Source: All local hazard mitigation plans were consulted to generate this table.

Note: *Plan under development and not available

RL Repetitive loss property

SRL Severe repetitive loss property

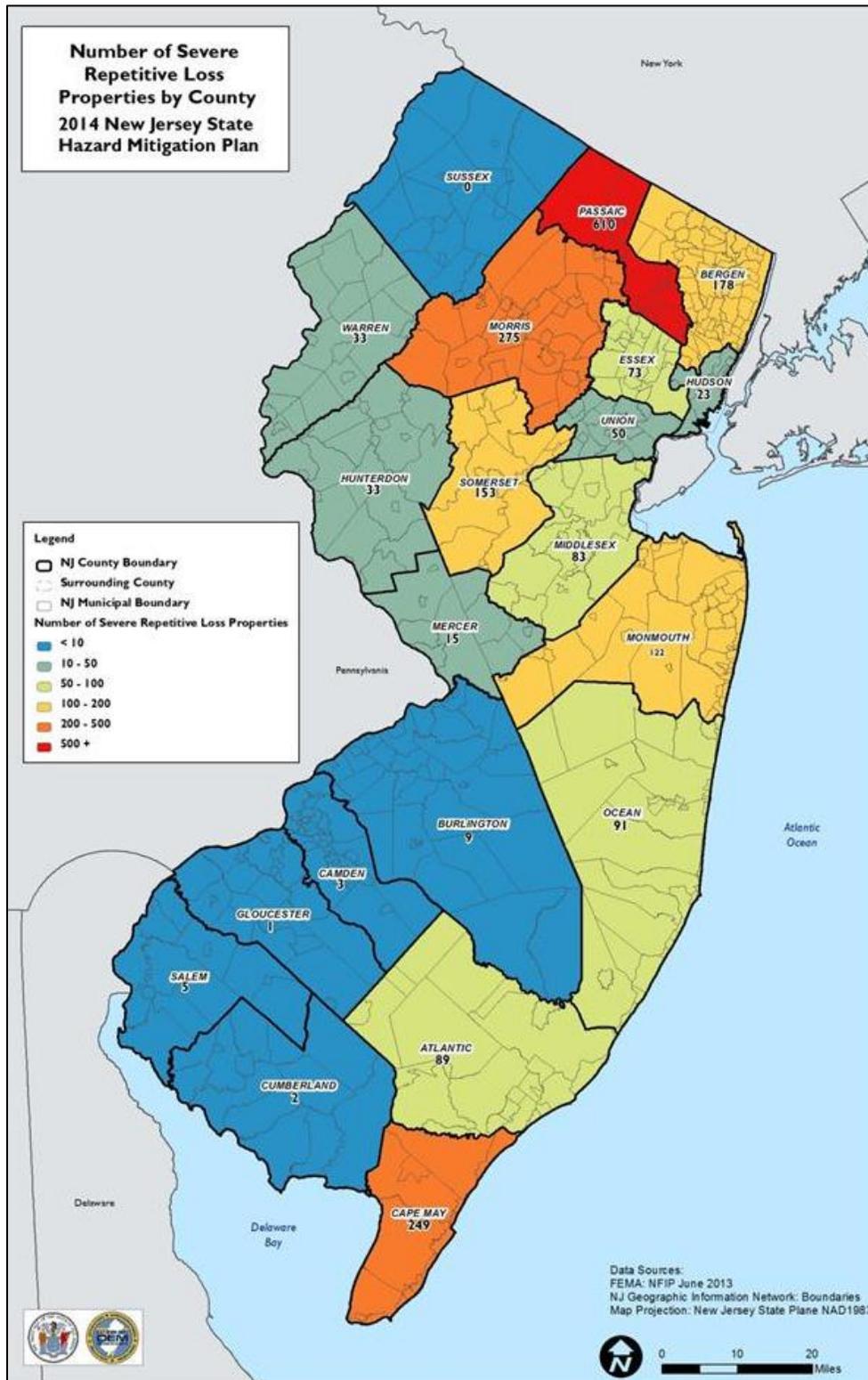
8.2.6 New Jersey Severe Repetitive Loss Data Analysis

The data presented in this section provides information about the geographical and financial data of the SRL properties in the State. The information is intended to provide an overview of conditions in the State and should be useful in supporting state policy and outreach initiatives. It should be updated annually to indicate statewide trends.

Detailed current claim history information is available to counties and local jurisdictions upon request from FEMA Region II and the State. Figure 8-3 displays the number of SRL properties in the County. The counties with the greatest number of SRL properties are: Passaic, Morris, Cape May, Bergen, Somerset and Monmouth. Figure 8-4 indicates the distribution SRL paid claims across New Jersey. The top three counties of Passaic, Morris and Bergen have more than 50% of the SRL property paid claims in the State.



Figure 8-3. Number of Severe Repetitive Loss Properties

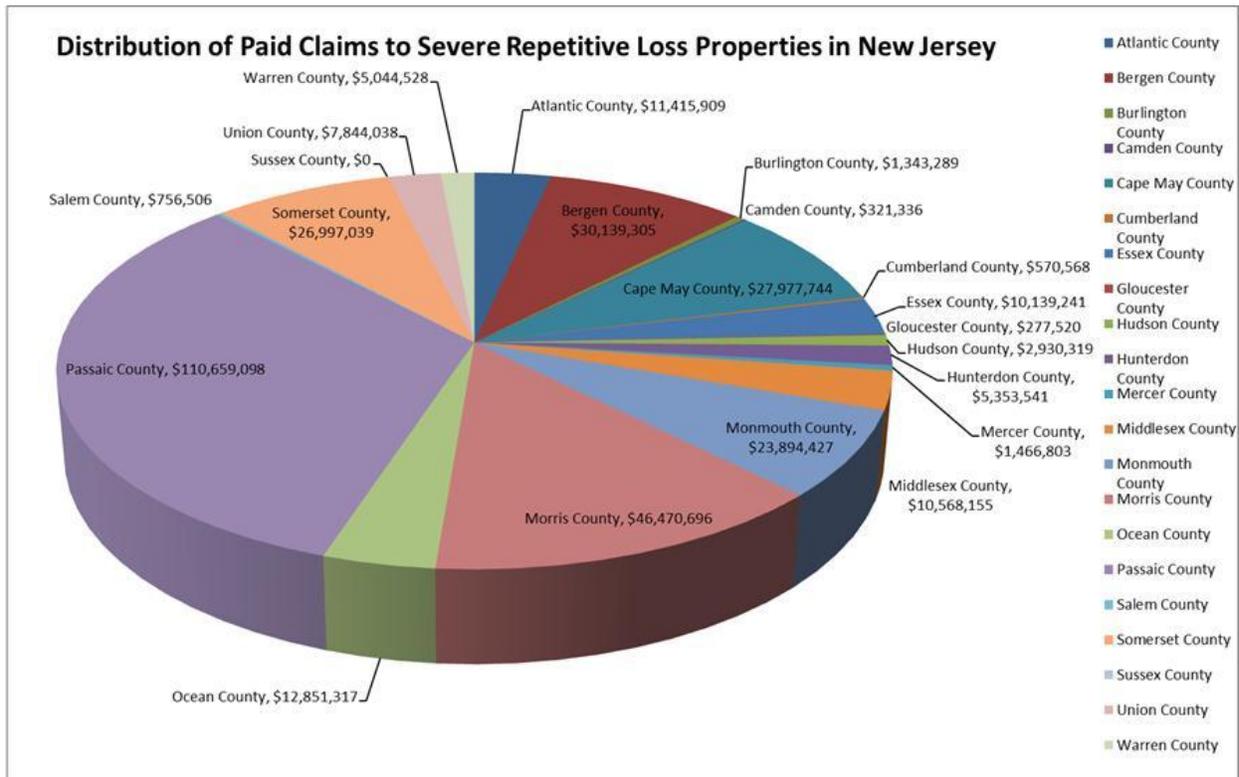


Source: NFIP data provided by NJDEP (NJDEP 2013)

Note: Data is current as of June 30, 2013



Figure 8-4. Distribution of Paid Claims to Severe Repetitive Loss Properties in New Jersey

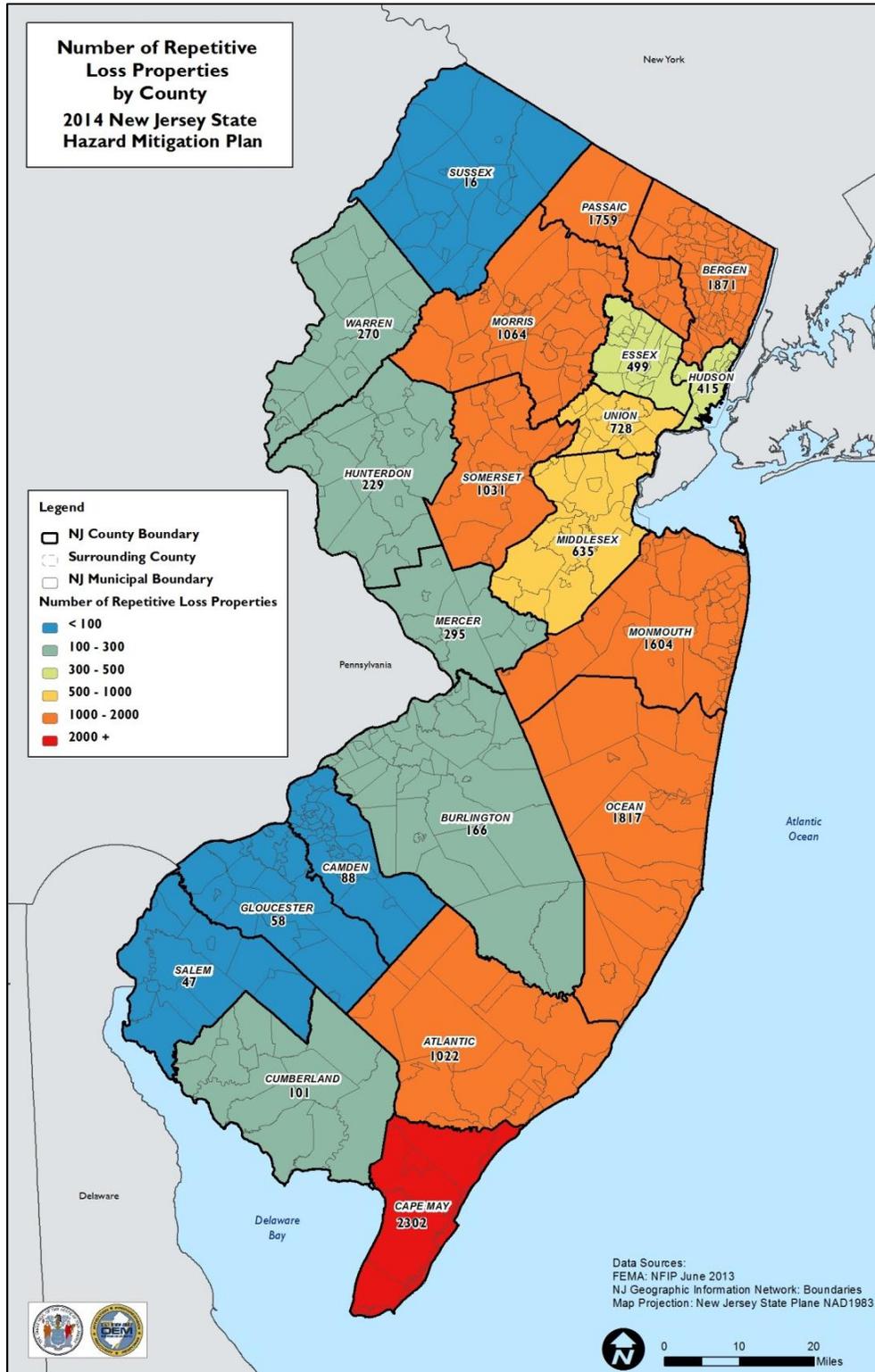


Source: NFIP data provided by NJDEP (NJDEP 2013)
Note: Data is current as of June 30, 2013.

Figure 8-5 displays the number of RL properties by county. The counties with the highest number (greater than 1,000) of RL properties are, respectively: Cape May, Bergen, Ocean, Passaic, Monmouth, Morris, Somerset, and Atlantic. These totals include the number of SRL properties.



Figure 8-5. Number of Repetitive Loss Properties



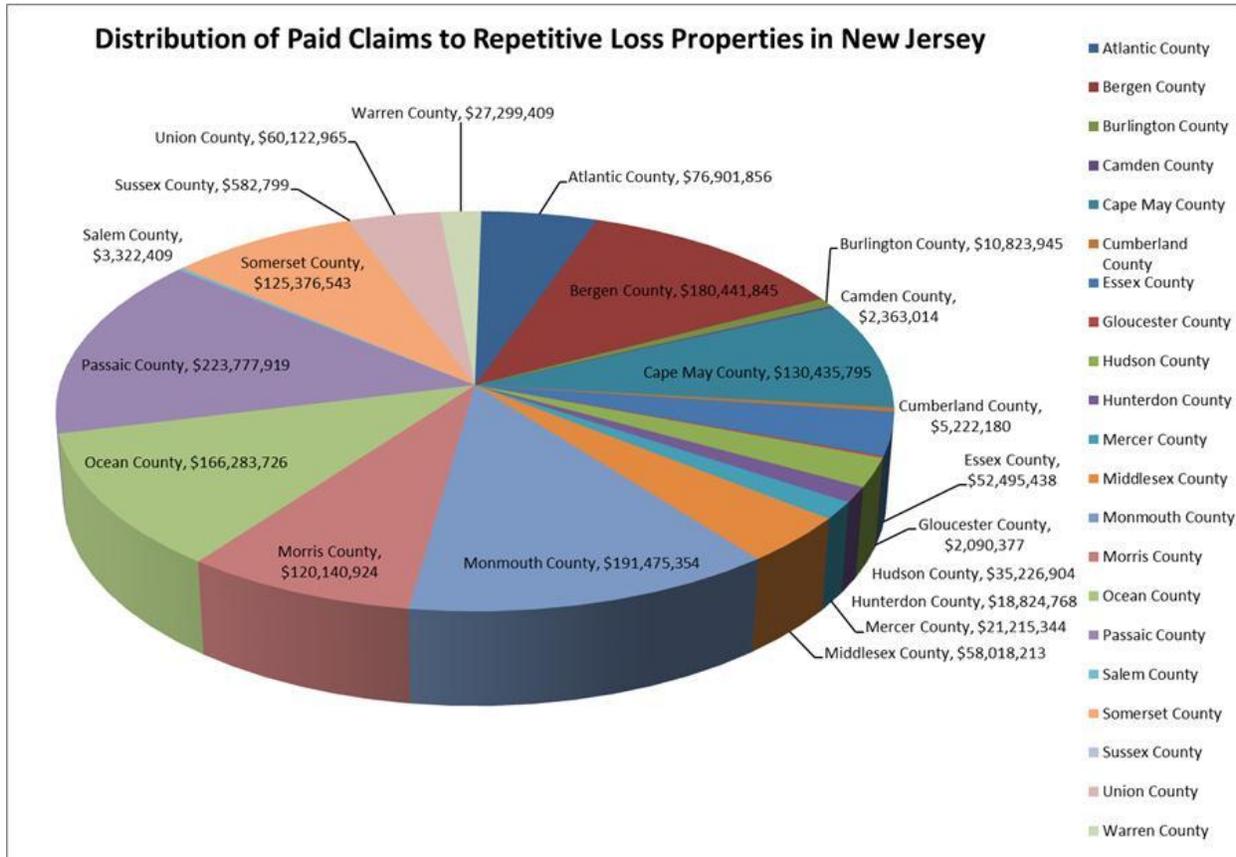
Source: NFIP data provided by NJDEP (NJDEP, 2013)

Note: Data is current as of June 30, 2013.



Figure 8-6 shows the distribution of claims paid to RL properties by county. The counties with the greatest number of RL paid claims are, respectively: Passaic, Monmouth, Bergen, and Ocean. These counties account for approximately half of the combined claims in the State.

Figure 8-6. Distribution of Paid Claims to Repetitive Loss Properties in New Jersey



Source: NFIP data provided by NJDEP (NJDEP 2013)
Note: Data is current as of June 30, 2013.

8.2.7 County-Level Loss Estimates for SRL and RL Properties

In order to provide a perspective on potential future benefits of addressing SRL and RL properties, FEMA provides loss estimation data. Table 8-5 is a compressed version of a calculation provided by FEMA, which provides loss estimates over 30- and 100-year planning horizons. The columns labeled “30-year Risk/County” and “100-year Risk/County” are projections of the expected future flood claims on a countywide basis. The columns labeled “30-year Risk/Property” and “100-year Risk/Property” are the same calculations on the basis of the average property in the sample. This information is presented in this Plan to indicate the type of information that the State will make available to local jurisdictions as part the outreach process noted earlier in this section.



Table 8-5. FEMA NFIP Actuarial Calculation of Potential Maximum Benefits for Mitigating SRL Properties, by County

County	Number of SRL Properties	Number of Claims	Total Value of Claims	% of Claims	30-year Risk/County	30-year Risk/Property	100-year Risk/County	100-year Risk/Property
Atlantic	33	234	\$3,883,453	4.16%	\$1,886,369	\$57,163	\$2,169,150	\$65,732
Bergen	27	144	\$4,518,894	4.84%	\$2,670,403	\$98,904	\$3,070,717	\$113,730
Camden	3	18	\$236,843	0.25%	\$180,069	\$60,023	\$207,063	\$69,021
Cape May	141	837	\$17,631,173	18.89%	\$9,376,381	\$66,499	\$10,781,971	\$76,468
Cumberland	1	13	\$280,261	0.30%	\$121,919	\$121,919	\$140,196	\$140,196
Essex	6	51	\$1,059,508	1.13%	\$465,346	\$77,558	\$535,105	\$89,184
Gloucester	1	13	\$102,804	0.11%	\$74,308	\$74,308	\$85,447	\$85,447
Hudson	2	8	\$153,549	0.16%	\$197,304	\$98,652	\$226,881	\$113,441
Hunterdon	10	33	\$3,050,297	3.27%	\$2,737,566	\$273,757	\$3,147,948	\$314,795
Mercer	3	16	\$284,018	0.30%	\$189,456	\$63,152	\$217,856	\$72,619
Middlesex	6	33	\$481,237	0.52%	\$309,908	\$51,651	\$356,366	\$59,394
Monmouth	11	51	\$2,010,354	2.15%	\$1,213,278	\$110,298	\$1,395,158	\$126,833
Morris	66	456	\$10,520,713	11.27%	\$4,956,735	\$75,102	\$5,699,788	\$86,360
Ocean	30	179	\$3,475,353	3.72%	\$2,268,795	\$75,626	\$2,608,904	\$86,963
Passaic	199	1,278	\$33,367,945	35.74%	\$15,920,245	\$80,001	\$18,306,811	\$91,994
Somerset	13	58	\$3,179,228	3.41%	\$1,925,061	\$148,082	\$2,213,643	\$170,280
Union	2	10	\$222,367	0.24%	\$142,397	\$71,198	\$163,743	\$81,871
Warren	40	152	\$8,898,507	9.53%	\$6,908,711	\$172,718	\$7,944,379	\$198,609
Total	594	3,584	\$93,356,504	100%	\$51,544,251	\$86,775	\$59,271,126	\$99,783

% percent

FEMA Federal Emergency Management Agency

NFIP National Flood Insurance Program

SRL Severe Repetitive Loss

Source: 2011 NJ State HMP

It should be noted that this methodology may not express all possible losses to the properties because past flood coverage may not have completely compensated for losses, and because certain categories of loss are not typically covered by NFIP insurance. In addition, the column labeled “Total Value of Claims” shows the total of flood insurance claims for building and contents damages inflated to present-day value by the NFIP, so the historic claims records will not total to this amount.



8.2.8 State and Local Capabilities for Funding and Implementing Mitigation Actions for Severe Repetitive Loss and Repetitive Loss Properties

State and local capabilities for funding and implementing mitigation actions for SRL and RL properties provide a basis for effectiveness of the SRL strategy.

NJOEM is responsible for oversight and management of state and local hazard mitigation plan preparation process; identification and evaluation of mitigation planning programs and opportunities; coordination of mitigation planning with preparedness, response and recovery planning; and event management mitigation. The effectiveness of the programs administrated and supported by NJOEM is provided below.

Table 8-6 provides an overview of the state and local capabilities, programs, policies, practices, funding, or regulations that are integral to the mitigation of RL and SRL properties.

Table 8-6. State and Local Capabilities, Programs, and Policies for Initiating Flood Mitigation Activities

Category	Effect on Repetitive Loss Impact
Program	Planning Grant Program: Helps counties compete for federal funding to pursue mitigation plans
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	All counties in New Jersey have been awarded federal grants, matched with local funds to prepare or update All-Hazard Mitigation Plans.
Program	The Mitigation Unit, Emergency Management Section, New Jersey State Police: Provides technical resources, contacts to other expert agencies, and guidance for county mitigation plans and projects
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	The Preparedness/Mitigation Unit, with a full time staff of 4 employees have been working to offer workshops and provide technical expertise, either by them or with an expert agency. It would be most effective to have more expertise on staff, or to procure expert support, however it not feasible due to budget cuts at the state level.
Program	Mitigation Grant Administration Program (managed by the Mitigation Unit): The unit administers and assists in the implementation of all federal mitigation grants awarded to counties and municipalities.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	Mitigation administrative funds were used to support multiple projects that have been federally funded since the original plan was approved.
Program	Public Assistance (PA): This program, available after a presidential disaster declaration, allows mitigation measures to be designed into projects to repair or restore public facilities damaged by the disaster event.
Effect on Loss Reduction	Supports efforts in loss reduction



Category	Effect on Repetitive Loss Impact
Funding Available	Yes
Effectiveness	PA grants have been awarded to multiple jurisdictions throughout the State following every disaster declaration.
Program	Pre-Disaster Mitigation Program (PDM): This annual, nationally competitive program funds hazard mitigation plans and cost-effective projects that reduce or eliminate the effects of hazards and/or vulnerability to future disaster damage.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	3 Projects awarded since 2008.
Program	Flood Mitigation Assistance Program (FMA): This program funds flood mitigation plans, provides technical assistance, and funds construction projects that reduce flood risk to insured, repetitive loss properties.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	5 Projects awarded since 2008.
Program	Hazard Mitigation Grant Program (HMGP): This program, available after a presidential disaster declaration, funds hazard mitigation plans and cost-effective projects that reduce or eliminate the effects of hazards and/or vulnerability to future disaster damage. Typically, the State provides a portion of the required non-federal match.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	51 Projects awarded in and 7 Planning Grants awarded since 2008.
Program	Severe Repetitive Loss (SRL) Program: This program provides funds to assist states, Indian Tribal governments, and local governments participating in the NFIP in reducing or eliminating the long-term flood risks to severe repetitive loss properties, thus reducing outlays from the National Flood Insurance Fund (NFIF).
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	1316 RL/SRL properties have been mitigated to date.
Program	Repetitive Flood Claims (RFC): This grant program provides mitigation funding for structures insured under NFIP located in a state or community that cannot meet the requirements of the FMA program. The long-term goal of the RFC program is to reduce or eliminate claims under the NFIP through mitigation activities that are in the best interest of the NFIF.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	Yes
Effectiveness	2 Projects awarded since 2008.

FMA Flood Management Assistance



- HMGP Hazard Mitigation Grant Program
- NFIF National Flood Insurance Fund
- NFIP National Flood Insurance Program
- NJOEM New Jersey Office of Emergency Management
- PA Public Assistance
- PDM Pre-Disaster Mitigation
- RFC Repetitive Flood Claims
- SRL Severe Repetitive Loss

NJDEP supports mitigation efforts through analysis of assessment of natural hazards, identification and management of grant programs. NJDEP also leads state coordination for NFIP, the Office of Land Use Regulation, Forest Fire Service, Geologic Survey and coordinates with state and federal programs affecting natural hazard mitigation including open space conservation, historic preservation, water resources management, dam safety and shore protection.

Table 8-7 provides an overview of the NJDEP capabilities, programs, policies, practices, funding, or regulations that are integral to the mitigation of RL and SRL properties.

Table 8-7. NJOEM Capabilities, Programs, and Policies for Initiating Flood Mitigation Activities

Category	Effect on Repetitive Loss Impact
Program	The NJDEP, Flood Control Section leads the State’s efforts as the State NFIP Coordinator and Community Rating System (CRS) support.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	No
Effectiveness	<p>82 of the 565 total municipalities (including the Meadowlands Commission) in New Jersey participate in the CRS program: 20 communities with a Class 10 (0%) premium reduction; 10 communities with a Class 9 rating (5% premium reduction); 18 with a Class 8 rating (10% premium reduction); 12 with a Class 7 rating (15% premium reduction); 13 with a Class 6 rating (20% premium reduction), and 9 with a Class 5 rating (25% premium reduction) as of October 2013.</p> <p>The total annual flood insurance premium CRS discount for the State as of February 25, 2014 was \$25,447,131. This represents 10.6% of the total annual premium (\$240,939,675) for the State. The NJ Dam Safety program, state stormwater management requirements, and the development of all hazard mitigation plans, are some of the state level efforts providing CRS credits for all New Jersey municipalities. Communities are encouraged to adopt freeboard elevation requirements, which also provide CRS credits.</p> <p>Many municipalities in New Jersey are small and lack the professional support to fill out a CRS application, or do not have the flood insurance policy base to make it worth their while. However, the State does reach out to communities during Community Assistance Visits (CAVs), Community Assistance Contacts (CACs), technical assistance contacts and workshops to promote the CRS program.</p>
Program	The Green Acres Program works with landowners, municipal governments, county governments, nonprofit organizations, and other conservation partnerships to protect land of statewide significance. This is done through direct purchase or conservation easements. The program also awards matching grants and loans to municipal and county governments, and matching grants to nonprofit conservation organizations, to acquire open space and develop outdoor recreation facilities.
Effect on Loss Reduction	Supports efforts in loss reduction
Funding Available	The Green Acres Program assists municipalities, counties, and nonprofit conservation organizations in the acquisition of open space for recreation and conservation purposes, and the development of outdoor recreational facilities. A sustainable source of funding for this program has not yet been secured.



Category	Effect on Repetitive Loss Impact
Effectiveness	Potential Funding Sources for Acquisition and Other Projects

- CAC Community Assistance Contacts
- CAV Community Assistance Visits
- CRS Community Rating System
- NFIP National Flood Insurance Program
- NJDEP New Jersey Department of Environmental Protection

8.2.9 Current and Potential Sources of Funding

Table 8-8 lists FEMA mitigation programs and state grants available for the mitigation of RL and SRL properties. The State priority for mitigating RL and SRL properties and the scoring methodology for evaluating competing sub-grant applications ensures that mitigation funds in New Jersey are targeted toward RL and SRL properties.

Table 8-8. Hazard Mitigation Grants

Funding Source	Description
FMA	<p>Availability: Pre-Disaster</p> <p>Description: To implement cost-effective measures that reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other structures insured under the National Flood Insurance Program (NFIP).</p>
HMGP	<p>Availability: Post-Disaster</p> <p>Description: To provide funds to states, territories, Indian Tribal governments, and communities to significantly reduce or permanently eliminate future risk to lives and property from natural hazards. Hazard Mitigation Grant Program (HMGP) funds projects in accordance with priorities identified in State, Tribal or local hazard mitigation plans, and enables mitigation measures to be implemented during the recovery from a disaster.</p> <p>Funding: a State has a FEMA-approved Standard State Mitigation Plan, HMGP funds are available based on up to 15% for amounts not more than \$2 billion.</p>
PDM	<p>Availability: Pre-Disaster</p> <p>Description: To provide funds to states, territories, Indian Tribal governments, and communities for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations.</p> <p>Funding: Nationwide competition</p>
New Jersey Green Acres Program	<p>Availability: Pre-Disaster</p> <p>The Green Acres Program was created in 1961 to meet New Jersey’s growing recreation and conservation needs. From 1961 through 1995, New Jersey’s voters overwhelmingly approved nine bond issues, earmarking over \$1.4 billion for land acquisition and park development. On November 3, 1998, New Jersey voters approved a referendum, which creates a stable source of funding for open space, farmland, and historic preservation and recreation development. On June 30, 1999, Governor Christie Whitman signed into law the Garden State Preservation Trust Act. The Act allowed New Jersey to preserve 1 million acres over the next ten years. The bill established, for the first time in history, a stable source of funding for preservation efforts.</p> <p>Funding: Sustainable source of funding not secured</p>



Funding Source	Description
New Jersey Blue Acres Program	<p>Availability: Pre-Disaster</p> <p>The Coastal Blue Acres (CBA) was created with the passage of the Green Acres, Farmland, Historic Preservation and Blue Acres Bond Act of 1995. The bond act contained \$15 million for grants and loans to municipalities and counties to acquire lands in coastal areas that have been damaged by storms, that may be prone to storm damage, or that buffer or protect other lands from storm damage, for recreation and conservation purposes.</p> <p>Funding: Statewide competition</p>
CDBG Disaster Recovery	<p>Availability: Post-Disaster</p> <p>The Department of Community Affairs –Sandy Recovery Division manages the majority of the federal funds being used to assist the State in recovering from Superstorm Sandy. These funds come from the Community Development Block Grant (CDBG) Disaster Recovery programs of the U.S. Department of Housing and Urban Development. The Sandy Recovery Division is committed to efficiently and effectively addressing the long-term needs of New Jersey’s Superstorm Sandy-impacted residents and communities through programs designed to help homeowners, tenants, landlords, developers and local governments.</p> <p>Funding: Designated state disaster areas</p>

- CBA Coastal Blue Acres*
- CDBG Community Development Block Grant*
- FEMA Federal Emergency Management Agency*
- FMA Flood Mitigation Assistance*
- HMGP Hazard Mitigation Grant Program*
- NFIP National Flood Insurance Program*
- PDM Pre-Disaster Mitigation Program*

8.2.10 Severe Repetitive Loss Goals, Objectives, and Actions

The State of New Jersey is committed to reducing the number of SRL properties by increased education, outreach, and successfully maximizing grant opportunities. The State’s strategy to reduce the number of RL and SRL properties is summarized as follows:

- Use available state financial resources to acquire, demolish, and use such properties for permanent state-owned open space.
- Provide matching Green Acres/Blue Acres acquisition funds to county and local governments to purchase flood prone properties.
- Award RL and SRL property acquisition and elevation projects specific points in project ranking scoring.
- Require that all county and municipal hazard mitigation plans include strategies to ensure actions to reduce the number of these properties.
- Develop and disseminate information on FEMA’s Flood Mitigation Assistance program.

This strategy aligns with the State’s overall goals and objectives as outlined in Section 6 (Mitigation Strategy). More specifically, Goal 2 is to ‘Protect Property’ and Objective 2.2 is ‘Reduce repetitive and severe repetitive loss properties.’ The actions presented in Table 8-9 below are specific to reducing the number of SRL and RL properties and have been included in the plan as part of this strategy. Table 8-10 summarizes the prioritization of these actions, all considered a high priority. Refer to Section 6 for a more detailed discussion on the prioritization of actions. In summary, the 11 evaluation criteria are defined below:

- **Life Safety** – How effective will the action be at protecting lives and preventing injuries?
- **Property Protection** – How significant will the action be at eliminating or reducing damage to structures and infrastructure?



- **Cost-Effectiveness** – Are the costs to implement the project or initiative commensurate with the benefits achieved?
- **Technical** – Is the mitigation action technically feasible? Is it a long-term solution? Eliminate actions that, from a technical standpoint, will not meet the goals.
- **Political** – Is there overall public support for the mitigation action? Is there the political will to support it?
- **Legal** – Does the State have the authority to implement the action?
- **Environmental** – What are the potential environmental impacts of the action? Will it comply with environmental regulations?
- **Social** – Will the proposed action adversely affect one segment of the population? Will the action disrupt established neighborhoods, break up voting districts, or cause the relocation of lower income people?
- **Administrative** – Does the State have the personnel and administrative capabilities to implement the action and maintain it or will outside help be necessary?
- **Agency Champion** – Is there a strong advocate for the action or project among State agencies that will support the action's implementation?
- **Other State and Local Objectives** – Does the action advance other State and local objectives, such as capital improvements, economic development, environmental quality, or open-space preservation? Does it support the policies of other plans and programs?



Table 8-9. Mitigation Actions Specific to Reducing the Number of RL and SRL Properties in the State

Responsible Agency	Mitigation Action/Initiative	Goal	Priority	Projected Timeline	Projected Resources	Hazards Addressed	Rationale for Action and Priority	How Action Contributes to Mitigation Strategy	2014 Plan Update Status
NJOEM, NJDEP, New Jersey Treasury	Inventory flood damage structures	2	High	Ongoing	Existing state assets and federal grants	Flood	Identifying repetitive loss areas and properties helps communities develop a strategy to reduce future hazard losses	Retrofitting, elevating or removing RL properties from known hazard areas protect property and lives as well as preserve personal, state, and federal financial resources	As of November 2013, over 10,000 substantially damaged (SD) structures have been inventoried as a result of post Sandy initiative funded by the NJDEP. The NJDEP is continuing to collect and inventory SD letters.
NJOEM	Conduct yearly workshops related to FEMA hazard mitigation grant programs	All	High	Ongoing	Existing state assets and federal grants	All	Making local officials aware of FMA increases participation.	FMA contributes to the mitigations strategy to reduce future flood losses.	In conjunction with FEMA, NJOEM presented post-Sandy mitigation workshops in all 21 NJ counties to advise counties of HMGP available funding. The workshops were subsequently supported by technical assistance upon request.
NJOEM	Promote acquisition and elevation of repetitive loss structures through community partnerships and outreach	1, 2, 4, 5	High	Ongoing	Federal grants and existing state resources	Flood	Eliminating repetitive loss structures. Contacting local community partners including but not limited to emergency management directors, floodplain managers, local officials, floodplain administrators regularly to provide updated technical information and advice of opportunities/funding to acquire or elevate properties.	Structures will no longer be flooded thereby reducing RL claims. Contact local community partners including but not limited to emergency management directors, floodplain managers, local officials, floodplain administrators regularly to provide updated technical information and advice of opportunities/funding to acquire or elevate properties.	To date 658 SRL properties have been elevated or acquired and demolished. This is also a high priority in the HMGP Administrative Plan (post-Superstorm Sandy). In conjunction with FEMA, NJOEM presented post-Sandy mitigation workshops in all 21 NJ counties to advise counties of HMGP available funding. The workshops were subsequently supported by technical assistance upon request.
NJOEM, NJDEP	Conduct community outreach, workshops and training to increase NFIP participation	1, 2, 4, 5	High	Ongoing	Existing state resources	Flood	Encouraging participation in the program so losses will be covered and eligible for the FMA program	Allows for people to receive flood insurance claims and maintains eligibility in the FMA program of which flood insurance is a requirement	Table 8-12 below summarizes the progress on this action since the 2011 Plan



Responsible Agency	Mitigation Action/Initiative	Goal	Priority	Projected Timeline	Projected Resources	Hazards Addressed	Rationale for Action and Priority	How Action Contributes to Mitigation Strategy	2014 Plan Update Status
NJOEM	Provide updated SRL and RL lists to communities in advance of grant application windows. Included FEMA-calculated avoided damages for SRL properties and any state-calculated avoided damages for RL properties	1, 2, 4, 5	High	Ongoing	Existing state resources	Flood	Identifying candidates with the strongest potential to meet benefit cost requirements allows communities to focus mitigation alternatives and applications on SRL and RL properties	Retrofitting, elevating or removing RL properties from known hazard areas protect property and lives as well as preserve personal, state, and federal financial resources	NJOEM provided RL/SRL information upon request.

- FEMA Federal Emergency Management Agency
- FMA Flood Mitigation Assistance
- HMGP Hazard Mitigation Grant Program
- NFIP National Flood Insurance Program
- NJDEP New Jersey Department of Environmental Protection
- NJOEM New Jersey Office of Emergency Management
- RL Repetitive Loss
- SRL Severe Repetitive Loss



Table 8-10 below summarizes the prioritization of the repetitive loss actions in accordance with the state criteria for prioritization including the 11 criteria of Life Safety, Property Protection, Cost-Effectiveness, Technical, Political, Legal, Environmental, Social, Administrative, Agency Champion, and Other State and Local Objectives.

Table 8-10. Prioritization of the Mitigation Actions Specific to the Repetitive Loss Strategy

Responsible Agency	Mitigation Action/Initiative	Life Safety	Property Protection	Cost-Effectiveness	Technical	Political	Legal	Environmental	Social	Administrative	Agency Champion	Other Community Objectives	Total
NJOEM, NJDEP, New Jersey Treasury	Inventory flood damage structures	1	1	1	1	0	0	1	1	0	0	1	7
NJOEM	Conduct yearly workshops related to FEMA hazard mitigation grant programs	1	0	1	1	0	0	1	0	1	1	0	6
NJOEM	Promote acquisition and elevation of repetitive loss structures through community partnerships and outreach	1	1	1	0	1	0	0	1	0	1	1	7
NJOEM, NJDEP	Conduct community outreach, workshops and training to increase NFIP participation	1	1	1	1	1	0	0	0	0	1	1	7
NJOEM	Provide updated SRL and RL lists to communities in advance of grant application windows. Included FEMA-calculated avoided damages for SRL properties and any state-calculated avoided damages for RL properties	1	1	1	1	0	0	0	1	1	1	1	8

- FEMA Federal Emergency Management Agency
- NFIP National Flood Insurance Program
- NJDEP New Jersey Department of Environmental Protection
- NJOEM New Jersey Office of Emergency Management
- RL Repetitive Loss
- SRL Severe Repetitive Loss



Specific progress on community outreach programs to increase NFIP participation to support a reduction in repetitive loss properties is provided in Table 8-11 below.

Table 8-11. Progress on Community Outreach to Increase NFIP Participation (2011 to 2013)

Activity	Number		
	2011	2012	2013
Community Assistance Visits Conducted	17 (1 FEMA, 16 State)	10 (1 FEMA, 9 State)	7 (7 State)
Community Assistance Visits Open	4	10	7
Community Assistance Visits Closed	13	0	0
Community Assistance Contacts Conducted	87 (1 FEMA, 86 State)	96 (3 FEMA, 93 State)	126 (63 FEMA, 63 State)*
Community Assistance Consultations Open	31	70	126
Community Assistance Consultations Closed	56	26	0
Floodplain Ordinances Reviewed	46	9	2013 – ABFE* 56 & PWM** 19 **ABFE map
Floodplain Management Workshops Conducted	0	0	249
Technical Assistance provided on CRS, Floodplain Management, Insurance and/or Mapping	750 calls; 95 letters	1,350 calls; 110 letters	1,675 calls; 125 letters
Workshops	4	4	15

Source: NJDEP 2013

Notes:

*Data as of November 2013.

**ABFE=Advisory Base Flood Elevation

8.2.11 State Funding and Technical Assistance for Mitigation Plan Preparation

As indicated in Section 3 (Coordination of Local Planning) of this plan, the State has ensured there is funding for all plan development efforts. The State is committed to continue to offer technical assistance. When prioritizing workload and funding to provide technical assistance, the State will prioritize its efforts and toward those ongoing planning efforts in areas with the highest concentration of RL and SRL properties.