

Committee Meeting

of

SENATE ENVIRONMENT AND ENERGY COMMITTEE

ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

"Testimony on the progress of Hurricane Sandy recovery efforts"

LOCATION: Atlantic City Convention Center
Atlantic City, New Jersey

DATE: August 15, 2013
11:00 a.m.

MEMBERS OF COMMITTEES PRESENT:

Senator Bob Smith, Chair
Senator Linda R. Greenstein, Vice Chair
Senator Jim Whelan
Senator Christopher "Kip" Bateman

Assemblywoman L. Grace Spencer, Chair
Assemblyman Reed Gusciora, Vice Chair
Assemblyman Upendra J. Chivukula
Assemblyman John F. Amodeo
Assemblywoman Holly T. Schepisi



ALSO PRESENT:

Judith L. Horowitz
Michael Molimock
Carrie Anne Calvo-Hahn
Office of Legislative Services
Committee Aides

Eugene Lepore
Senate Majority
Christopher Pierre
Assembly Majority
Committee Aides

Brian Alpert
Senate Republican
Thea M. Sheridan
Assembly Republican
Committee Aides

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey



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LINDA R. GREENSTEIN
Vice-Chairwoman

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New Jersey State Legislature

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COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE ENVIRONMENT AND ENERGY COMMITTEE
FROM: SENATOR BOB SMITH, CHAIRMAN
SUBJECT: COMMITTEE MEETING - AUGUST 15, 2013

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The Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee will meet jointly on Thursday, August 15, 2013 at 11:00 AM in Room 411 of the Atlantic City Convention Center, One Convention Boulevard, Atlantic City, New Jersey.

The committees will meet to hear testimony on the progress of Hurricane Sandy recovery efforts.

Issued 8/8/13

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New Jersey State Legislature
ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE
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COMMITTEE NOTICE

TO: MEMBERS OF THE ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE
FROM: ASSEMBLYWOMAN L. GRACE SPENCER, CHAIRWOMAN
SUBJECT: COMMITTEE MEETING - AUGUST 15, 2013

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SENATOR BOB SMITH (Chair): Good morning, everyone, and welcome to the two most interesting committees in the Legislature: the Assembly Environment and Solid Waste Committee headed by Chairwoman Grace Spencer, and the Senate Environment and Energy Committee headed by myself. That is how I start every meeting of the Committee, because we really are the most interesting committees.

That being said, we're thrilled to be in Atlantic City today, taking testimony on the status of relief efforts 10 months after Storm Sandy. And we've asked people to come today to tell us what they understand to be happening in their world; what's been done right, what's been done wrong. And hopefully if there are needs for mid-course corrections, we can either do legislation or try to get input into the Administration about this, which has pretty much been the overseer of Storm Sandy relief efforts.

We invited Marc Ferzan, the Governor's Sandy czar, to be here today. He has not indicated a willingness to come. So we're going to hear from a whole bunch of other people. We have a list that is longer than the Atlantic City Expressway. And we do have to put limits on things, so Chairwoman Spencer and I agreed we would take testimony until 1:45, at which point the hearing will end. We're going to try to get as many people up as possible. Let me give you Shakespeare's admonition: brevity is the soul of wit. If you have written testimony -- Senators and Assembly people really do read it. If you bring it up, copies will be made for all members. And if you then want to summarize it, that would be just perfect.

Before we introduce the members of our Committee, our home Senator for Atlantic City is Senator Jim Whelan, who is the former Mayor of Atlantic City.

Assemblywoman Spencer and I ask if you would welcome the local officials to welcome us.

Senator.

SENATOR WHELAN: Thank you, Mr. Chairman, to you and to Chairwoman Spencer.

We are -- and I say "we" -- I speak for people from the shore communities up and down, especially here in Atlantic City, Atlantic County. We are very grateful to both of you for having this. It is great that we have "Stronger than the storm," and so on, and so forth. But the reality is, for so many people who live at the Jersey Shore, they're not back in their homes yet. If they are back in their homes, they're still dealing with issues in their homes, cost of repairs that are ongoing. It is the same thing for many people in our business community. So we are very, very grateful. I was one of the fortunate ones. We were out until March. We got back in, but there is still a lot of confusion. So, again, we thank you and Assemblywoman Spencer for this.

Let me introduce the Mayor of Atlantic City to come and give a welcome, and also, perhaps, a little bit of an overview of what he sees taking place in Atlantic City.

Mayor Langford.

Thank you, Mayor.

M A Y O R L O R E N Z O L A N G F O R D: Good afternoon, everyone.

SENATOR SMITH: Good afternoon.

MAYOR LANGFORD: Thank you, Senator Whelan.

To Senator -- Mr. Chairman -- Bob Smith and to the esteemed panel, thank you so much for bringing this forum -- this meeting to the great City of Atlantic City and providing all of us with an opportunity to interact and interface with you, and to have this very important discussion.

Let me also say thank you to the residents of Atlantic City who have taken the time to come here this morning to share their concerns and to benefit from the information that will be gathered here today.

I do have some City officials who I'd like to acknowledge: Bill England, our City Engineer; Nancy Egrie, of Risk Management; and Tom Foley, our Emergency Management director. They will be here to offer some commentary should they so choose, but more importantly to hear the discussion that will take place -- particularly anything coming from the residents of the City of Atlantic City -- that we might take that information and get back to them with a satisfactory answer and direction in which they should go to pursue the answer that they might need.

So with that, let me just pick up on something that the Senator alluded to. And I will be brief. I think all of us would do well, here in the City of Atlantic City, to understand that our glass is half full and not half empty. As catastrophic as this storm was, it could have been a lot worse. While we can calculate the toll and the expense in terms of dollars, in a monetary kind of way, there was no loss of human life in the City of Atlantic City. And for that I am grateful.

I also need to, at this time, give thanks to all of the agencies -- governmental agencies from the Federal government, State government,

County government, quasi-governmental entities such as the CRDA, and other social organizations and religious institutions for their willingness to band together to help get us out of this mess. And the collaboration, and cooperation, and assistance has been absolutely phenomenal. And as the Mayor of Atlantic City, I want to take this opportunity to say thank you to all who have had anything and everything to do with trying to restore us as quickly and as fully as humanly possible.

Having said that, however, as the Senator alluded to, we still have a lot of our residents here in the City of Atlantic City who have not been relocated back into their humble abodes. They have not been fully restored. So I would only ask that we keep that in mind. As we celebrate on the one hand the successes that have been made thus far, we need to be mindful that we still have a ways to go.

So having said that, again, thank you for affording me this opportunity. Thank you for inviting me. And, again, thank you for bringing this meeting to the City of Atlantic City.

God bless.

SENATOR SMITH: Thank you, Mayor.

Quick introduction on the Senate side. We have Senator Whelan, Senator Linda Greenstein is on her way but said she would be late, and we also expect Senator Bateman to be here. I don't think Senator Beck is going to be available.

Chairwoman Spencer.

ASSEMBLYWOMAN L. GRACE SPENCER (Chair): Good morning, and thank you for coming and being a part of this joint hearing. Certainly, we are here to take the testimony and hear what it is that is

happening to the communities on the ground level. There are many things that we read about in the newspaper, but sometimes what is contained in the paper is not exactly accurate about what is happening with the people who have suffered through the crisis. So we're glad that you're here. And certainly the agencies that are represented, and the different organizations that are here-- I expect and hope to find from you -- get from you information that we will be able to use in order to make sure that every citizen who suffered some kind of loss as a result of Hurricane Sandy -- regardless of whether you're on the shore or whether you're in Bergen County, New Jersey -- no matter where you are in the state, that you are getting the services, the money, and the help that you need in order to put your lives back together.

With me from the New Jersey State Assembly -- there are several members who are going to be present. They're running a little behind schedule. You know, New Jersey, as small as we are, it's difficult to go from one end of the state to the other. But we will be joined by several members. Right now, we have Assemblyman John Amodeo, who represents District 2. I expect to have Assemblywoman Holly Schepisi, who represents District 39; Upendra Chivukula, who Chairs the Assembly Utilities Committee, from District 17; and my Vice Chair Reed Gusciora, from District 15. Also joining the New Jersey Assembly here today are representatives who assist the Committee: Thea Sheridan, Christopher Pierre, and Carrie Anne Calvo.

SENATOR SMITH: We have a long list. And as I said, we hope that everyone can be succinct.

Our first witness is Dr. Stewart Farrell, from Stockton College Coastal Research Center.

For those of you who have followed our proceedings, Dr. Farrell was the individual who, at our hearing in Toms River many, many months ago, when asked the question whether we should be -- I guess find credible the V Zone designation for much of the shore, indicated that maybe that needed an additional review; that, that, in fact, had not been thoroughly vetted. And as we may all know, in many parts of New Jersey, that V Zone has been changed. So many homeowners began rebuilding their homes at heights that are no longer applicable. And there may be some question about reimbursement. And also, too-- I have a second home in Lavallette, and we're almost back. But if you go on our street, you see these Cape Cods that have been now raised up 12 feet that look like abominations.

And with that introduction, Dr. Farrell, take it away.

S T E W A R T F A R R E L L, Ph.D.: Well, thank you very much. It's a pleasure to be here.

I did put my comments together as a PowerPoint. And since I finished it at 9:00 this morning, I will send Mr. Lepore a PDF version to be distributed to Committee members as he finds it possible to do so. My apologies for not doing that ahead of time.

I was asked to focus on what has happened in Cape-Atlantic counties primarily, since that is where we are. The intro slide there to the left is the national vertical datum of tide gauges in the Bay showing Hurricane Sandy rising to an elevation of about 8.5 feet above the NAVD88 datum, and then fading back to normal over the next two or three days -- obviously the vehicle on the right. And then the center picture is the

Ventnor fishing pier taken this past March. So, in fact, some of the beaches are just fine. Most of them are usable, no matter where you are. And many of them -- you'd hardly notice that anything really happened on the physical beach.

We take this information from our profile network, which we established in 1986 at the behest of the events following Hurricane Gloria through the, then, Coastal Resources Division of DEP. We established 105 locations approximately a mile apart, from Sandy Hook and some in Raritan Bay, down to Cape May Point, and up the west coast of the Cape May County-Delaware Bay shoreline.

So each of these sites were visited from October 31, 2012 to Thanksgiving. We worked 24/7 to get surveys of these beaches after Sandy to see what the erosion had been. Now, this will not appear as huge numbers for the public to see (indicating). But in Atlantic County, taking that loss in beach dune and offshore material -- the sand lost and shed -- and averaging the two adjacent profiles, and multiplying by the distance in between them -- it's called closed-end averaging. We went the length of Atlantic County, and we found that about 850,000 cubic yards of material had been removed as a result of the Hurricane. Well, that is asymmetrically distributed, as we found out. Some places lost more, others less. This is the Rhode Island Avenue cross section. The green line at the top was the September profile after the Army Corps of Engineers pumped sand there -- which was very fortuitous for that whole section of Atlantic City, because if you look at the line from the very first profile in 2011, the high tide line was just at the Boardwalk. And had that been the case in Hurricane Sandy, Revel development might have been put at severe risk from overwash and

direct wave impact on the structure. That did not occur. Because the Sandy profile is imbedded in the black line showing that after Sandy -- the last one was in December -- there was very little change after Sandy. Not much material returned to the shoreline. But the dunes survived, and the beach was severely compromised and is being restored by the Army Corps, either as we speak or is to be done this fall.

So the projects that the Army Corps built prior to Sandy are going to be restored to their design specifications as soon as the contractors can get to them. And they've done Stone Harbor, they've done Cape May, they've done Atlantic City, and they probably have some work to do in Brigantine, which they had done prior to the storm, again, fortuitously.

All right, coming south to Raleigh Avenue, in Atlantic City-- The lines cluster together indicating that in the midsection of the beach fill that was done in 2004, Hurricane Sandy was basically a bad day at the beach. The little foredune just below the crest of the main dune was eliminated. The dunes were just high enough in elevation to keep Sandy from coming through the dunes into the infrastructure. There were six-by-six timbers laying on the dune crest. Maybe several swimming pools full of water had washed over, but the storm drains had taken care of it. The dunes did not breach in Atlantic City. And down here at Raleigh Avenue, that never even reached the crest of the dune. So the beach was wider. It absorbed the energy initially. And what ran up into the dunes was dissipated without any damage other than a few sections of snow fence knocked out.

In Cape May County, the loss -- there are more profiles in Cape May County. It's a longer shoreline. You can't see the numbers -- I'm sorry

-- but there are some in red. The red numbers in that set are in Cape May City, Cape May Point. Sandy actually added sand to the beach in those sites, and in significant quantities. In Wildwood, it raised the berm elevation 3 feet, but it pushed the shoreline landward about 150 feet. Well, when you have a 1,000-foot wide dry beach in front of the infrastructure, that's not necessarily a bad thing. But it did, essentially, create this 3-foot higher berm of materials. The high water level washed the sand up onto the dry beach.

In Cape May County, the total sum of lost material was 2.1 million cubic yards from northern Ocean City all the way down to Cape May Point and back up to Reeds Beach. So 2.1 million yards of sand was removed from the beach and dune system.

Now, the damage varied, and the damage can easily be seen as a function of the width of the beach and the height of the dunes. This is 56th Street, in Ocean City. The black line is the post-Sandy profile; the other lines occurred before it. And you can see the dune was erased. Water washed into the interior and around the houses. It did not wipe them out particularly, but it definitely flooded them and did structural damage to many of them between about 40th Street down to 59th Street, where development ends. And it completely overwashed the State Park at Corson's Inlet. The waves went right into the Bay.

This is what it looked like before Hurricane Sandy -- is on the right. They brought the sand back from the streets, piled it up to make sort of a dune structure. Remember, in November there was another northeastern. Everybody was panicked that this was going to take us to the cleaners again. So this was a rush job to put that up. The lower left picture

is what the dune looked like on October 26, 2012 -- three days before Hurricane Sandy. Because that's when the survey was done. So the dune, you can see, is only about 30 or 40 feet from the high tide line, and the elevation of that dune was 14 feet elevation.

North Wildwood: Well, this was taken by the City Administrator at 2nd and Kennedy, right at the northeast corner of the city. You can see from the picture that the water level is equal to the elevation at the top of the sea wall, just about, and the waves were coming over. He said the next one that came over he doesn't have a picture of, but it moved the truck five feet sideways. As it hit the truck, he said, "I'm out of here. I think I have my picture." So he shared this with me. This gives you an idea of what it was like down there.

We have followed this with the City. They went for a beach restoration. They had a beach fill in 2009 as a result of erosion that took place. Yes, Wildwood beaches erode too. The sand split between going into Hereford Inlet and going down to the City of Wildwood. The areas that are circled and shown in green show the amount of material that was placed there by Norfolk Dredging as of July 2, 2013. Yes, they went right up to the 4th of July weekend pumping sand on the beach to get it done so that they could then turn around and finish the work in Stone Harbor. A total of 150,000 yards of sand were deemed reimbursable under the FEMA Category G, damage to park infrastructure. The beach is considered a park, if the community or the State of New Jersey, in cooperation with the community, actually builds the beach to a certain design specification, and then proceeds to keep it that way through maintenance activities that are specified either by ordinance or by resolution. And North Wildwood had

done that, so this 150,000 yards of sand will be compensated 75 percent by FEMA. If it's a Corps of Engineers project beach, it's Federal, it's the Corps issue. FEMA does not reimburse on a Federal project beach. So the Corps has been given money by Congress to repair their damaged projects, and they are doing so on their own volition.

Further south, on Broadway Avenue, Cape May City, you can see the black line is the post-Sandy profile. And you can see the deposit sand, that came off the berm and beach face, out toward the east, dumped now up there at the toe of the dunes as the deposit. So in this case, the change was about the same. This one neither lost nor gained sand. The lost volume was about equal to the gained volume, so it was basically a wash. There was no physical structural damage to any of the infrastructure in Cape May City. This beach fill started in 1989, and it has been maintained every several years since.

Here is the view-- The right view is taken November 9, after Sandy. The one on the lower left was taken June 5, 2012. And you can see the snow fence is still there, the restroom is still fine, and even the-- You can even see, if you look at the elevation of the stairway coming down, that the beach is actually higher than it was in June. So you actually have a visual feel for that gain in sand volume that took place. Sandy's waves were coming parallel to the shoreline here and coming up onto the beach. It was a wide beach. They broke early, and they just carried the material up and left it. So basically it was a bonus for them.

The last one is down in Cape May Point. This is at Willdin Avenue at the very end of what you would call the *oceanfront* on the New Jersey shoreline. The black line is the post-Sandy one, and that shows the--

In this case, we only go to this community annually, because that's what they want us to do. And we survey more-- We only have one State profile there, but we do nine separate for the Town. This is at Willdin Avenue. This town, by April 2013, was ahead of April 2012 by 175,000 cubic yards of sand, directly as a result of sand moving south and being deposited there during Hurricane Sandy. This has never happened in 25 years of doing this in terms of that much sand arriving at Cape May Point after any winter storm or any combination of winter storms in the last 20 years. And this is a view. The arrow shows the rock that was there in April of 2012. The same rock is on the right. And in 2013, obviously, the beach accumulated sand. And that's it.

SENATOR SMITH: Doctor, one question for you in my mind, and that's back to the V Zones.

DR. FARRELL: Yes.

SENATOR SMITH: I understand there has been a very significant change from what was announced as the standards for New Jersey initially and the recent changes by FEMA. Can you give me some idea of how many homes have been removed from the V Zone?

DR. FARRELL: Ninety-nine percent of them in the counties that have been submitted as working maps. The working preliminary maps are out for Monmouth, Ocean, and Atlantic counties. In Atlantic County, we had a meeting just a week-and-a-half ago where we looked at both of the situations where almost all of Ventnor Heights was a V Zone. None of it is now. All of Bayside, Margate, and Long Port was a V Zone.

SENATOR SMITH: Most of them have moved to A Zones?

DR. FARRELL: A9, A10, A8.

SENATOR SMITH: And what is the height for A8 and A9?

DR. FARRELL: The 8 is 8 feet above the datum of NAVD national -- North American Vertical Datum of 1988, and so it's 8 feet above that zero elevation, which is somewhere between mid tide and high tide.

So basically they're 8 feet, 9 feet, 10 feet. And in Brigantine, there are a couple of A11 Zones, but they're on the oceanfront side.

SENATOR SMITH: Now, the original V Zone would require 12 feet, and then DEP would require an additional foot?

DR. FARRELL: Correct.

SENATOR SMITH: So the original designation would have directed homeowners to raise it--

DR. FARRELL: Well, 8 plus 3 is -- yes, that would take you to 11, plus the 1 is 12. So it would have been 12 feet.

SENATOR WHELAN: And pilings.

DR. FARRELL: And with the pilings. Oh, yes, pilings mandatory in a rebuild.

SENATOR WHELAN: In the V Zone.

SENATOR SMITH: All right. That may have added tens of thousands--

DR. FARRELL: And, of course, the difference in measurements is the A Zone is -- the measurement is taken at the finished floor of the lowest habitable elevation. In a V Zone, it's the first horizontal structural member on the building. So in other words, all the timbering that holds the pilings together, that's -- the bottom of that is the elevation point. The first floor elevation might be 2 or 3 feet higher.

SENATOR SMITH: So anybody who took the initial direction of the State may have raised their home 4 or 5 feet higher than it had to be and used structural methods that may not have been required.

DR. FARRELL: Well, they were advisory maps. Unfortunately, they were kind of--

SENATOR SMITH: Adopted as--

DR. FARRELL: --adopted as, "This is it."

The modeling was only half done when they issued them as a result of Sandy. They would have never issued those maps had Sandy not happened. So they brought them out with the elevation data done, but not the overland wave modeling for storm waves. So they just went super conservative and said, "Well, we're going to make everything a V Zone even though we have no clue as to what really will be a V Zone." And they now have finished that model, and revised the maps, and reduced the bayside V Zones dramatically. So that's basically what happened.

Now, Cape May County hasn't been released yet, but next week--

SENATOR SMITH: Senator Whelan.

SENATOR WHELAN: As someone who was in the V Zone and is now in an A Zone, I personally want to thank you.

I just want the public to know-- I mean, you're being very humble, Dr. Farrell. Assemblyman Amodeo and I were in the room when Stu Farrell and others met with some of the representatives from FEMA. And quite frankly, your input was absolutely essential to opening their eyes to the reality of, "You're not getting the--" I think most people in this audience are probably familiar with it by now. But the V Zone means

you're going to get a 3-foot wave. And we're not getting a 3-foot wave in the Bay behind Absecon Island, or Brigantine, or most places up and down the Jersey Coast. And it was really your input that opened their eyes to that and presented, as you did today on the beachfront -- but presented similar data on the oceanfront. I just wanted to thank you for that.

Now to the question: Again, the maps that are now out for the three counties you mentioned are still working documents.

DR. FARRELL: Correct.

SENATOR WHELAN: But we're a whole lot closer to what makes sense than we were on the first cut. Would you agree with that?

DR. FARRELL: Absolutely. See, they finished the overland wave modeling. And if the 3-foot wave on the Bay that is hypothetically there during the storm actually finds a bulkhead, or a fence, or a building -- it breaks, and the game is over in terms of a 3-foot wave impacting the structure from that point on. And what they found out was that a bulkhead at elevation 7 would trip the waves and make them break. If they were 7.5 or 8 feet, game over. So basically the V Zones stopped at the bulkhead when they actually ran the models for the counties that are done yet (*sic*). So I don't expect that there is going to be much difference in Cape May County. It's going to be a far lower number of houses in the V Zone as a result of them finishing the models and getting it right.

There are still some issues that haven't been resolved in Brigantine. We're working with them on that through the City Engineer, myself, and the governing body. And so there is a small strip of about 12 to 15 residences that are still V Zone properties. But their own model stops the wave breaking in the Bay. So why would they still be a V Zone?

SENATOR WHELAN: Well, I just hope they continue to listen to your input.

Thank you.

DR. FARRELL: Well, we're working on it. We're working with them, not against them. So it helps to be kind of working with them to-- And I had a lot of help from the engineering fraternity -- the municipal engineers. Hatch Mott MacDonald was particularly helpful. And so we worked together to come up with a series of things that brought this problem to their attention.

ASSEMBLYWOMAN SPENCER: With regard to Cape May County, you indicated that those maps are not finished yet, but the anticipation is that they will be shortly. How has the community reacted to that? Have we seen any construction going on in Cape May County in those areas of the V Zone? And if we have, have those individuals stopped in light of the fact that there is a potential that the maps will change?

DR. FARRELL: Well, I don't have data on the number of building permits that have been issued, but I do know that construction is going on in the Bay side of Cape May County. And it appears as if most of the construction on the Bay side anyway is using traditional block foundations, but they may be going higher than the--

Everybody seems to be looking at the freeboard in the municipalities. Cape May and Atlantic County have a coalition they put together that meets monthly. We just met last Thursday where we discussed these issues amongst the code officials, the elected officials, and the engineers for the municipalities about what should be the freeboard. And right now, many of these communities are adopting-- If it's an A8

Zone, they're saying a 2-foot freeboard -- but to gain credit in the community rating service that the flood insurance program has, to get credit for having excess freeboard over what the mandated elevation is and get points for doing so.

ASSEMBLYWOMAN SPENCER: Okay.

SENATOR SMITH: Thank you, Dr. Farrell.

DR. FARRELL: You're very welcome.

ASSEMBLYWOMAN SPENCER: Thank you, Dr. Farrell.

Next up, we have former DEP Commissioner -- and now with Edgewood Properties -- Mark Mauriello.

Welcome.

M A R K N. M A U R I E L L O: Good morning.

Well, I want to commend the Committee Chairwoman Spencer, Chairman Smith, for holding the hearing -- Senators and Assembly folks. It's good to see you all again.

I just have a few remarks I want to make, but I feel a little bit compelled to just talk about the issue of these FEMA advisory-based flood maps and flood insurance rate maps that ultimately will govern insurance premiums as well as construction standards. And it's very important to realize that when FEMA puts these maps out there, these maps are, essentially, a minimum standard. And the code of Federal regulations that implements the National Flood Insurance Program -- it's CFR 60, Section 44 -- talks about the fact that these are minimum standards that don't factor in sea level rise, don't factor in future conditions.

And I think we all know-- I know a lot of you folks have been around, and your districts have had floods -- whether it's coastal or inland

floods along the Delaware, the Passaic. Fully compliant homes that meet that minimum standard get flooded. People have damages -- there are costs incurred, and the misery of that. So the idea of exceeding that minimum standard is something that we've promoted for a very long time. In fact, FEMA, who produces the maps, recommends that you incorporate a 3-foot freeboard standard. So if the base flood elevation on a map is 10, they recommend constructing to a minimum elevation of 13. And it's conservative. It's absolutely conservative. But I think when you're talking about floodplains and coastal hazard areas, being conservative when you build a house that you're going to own for a long time makes a lot of sense. So it's been a little confusing to folks. And I don't think the discussion and the guidance has been as good as it could have been for the homeowners, because people just didn't know what to do as things were in flux.

But there are some basic concerns that are important that people realize, which are that these are vulnerable areas. The floods are going to get more extreme; we know that. Sea level is rising; we know that. It's not a question. We have data to show that. So I think it is important that we are conservative. We're talking about protecting people, protecting property, and ultimately protecting the taxpayers who subsidize all this development through insurance and recovery costs.

But moving on to some of the brief comment we have -- and I understand you have a full agenda, so I will be brief. One of the concerns that I've recognized is that we have the Army Corps coming into the State to do a massive beach nourishment project for the whole coastline. The cost of that has been a little bit subject to debate. Clearly over \$1 billion, maybe less than \$2 billion -- a lot of money coming in with sand. But at

the same time, there are a number of other projects that are being planned, contemplated, and constructed that folks don't really have an opportunity to look at before they happen. And I think the point I want to make is, again, the taxpayers are contributing the cost to build these structures. And without a public process whereby the agencies can talk publicly about what is being contemplated, how much it will cost, what alternatives were considered, I think it is really not doing justice to what should be a very transparent, public process for shore protection projects, priorities, and funding.

A case in point -- and I just stumbled across some plans and correspondence on the Brick Township website -- was a commitment from the State of New Jersey to Brick Township to spend, with the Federal government, \$40 million minimum to build a steel sheet pile wall in the beach. This is a four-mile long wall that's proposed from Mantoloking through Brick with an elevation -- top elevation of 16 feet. And it's being justified to protect Route 35, which is going to be reconstructed over the next year-and-a-half. Well, the elevation of Route 35 is about 5 or 6 feet above sea level. The elevation of this wall is about 16 feet above sea level. And the wall is proposed to be built out in the beach. And the theory is, the wall will be built, the Corps will do this massive nourishment and bury this wall in the sand, and it will be a nice backstop in the event of a severe storm. And the condition is that the communities have to maintain sand cover over this wall that is out on the beach -- in some cases, 600 feet from Route 35.

I use that as an example of something that a lot of folks have interest in, whether it's as a geologist or former regulator, as a taxpayer who

ultimately pays for this. There really needs to be a more open discussion from the agencies working on these projects so that folks know how things are going, where the money is being spent, and there's an opportunity to have a discussion about what is the most appropriate solution.

So I express that concern on behalf of a number of public groups, nonprofits, and other interested folks such as myself who really see this as a dangerous path. Because the decisions we make now-- And we're a little bit drunk with all this money. I mean, this Federal appropriation is massive, and it's unprecedented, and it sort of makes you a little bit less concerned about what you do because there is so much money. But we can't lose site of the fact of being smart in how we spend the money. And we have to make sure we're spending it on things that don't come back to haunt us once the Federal money dries up, and the beaches erode, and we have these recurring storms. And it doesn't have to be another Sandy. We all know that northeasters pound our coast, damage our infrastructure, and threaten our property and our people. So I think it's really important that we try-- And I would ask the Legislature to try to find a way to get that to be a more open, public process.

Leading into that -- and this all sort of knits together -- the State of New Jersey, right now, deserves a lot of credit for being aggressive in using some of this money for property acquisition. And it's important. We've seen it work in the Passaic Basin, we've seen it work in Strathmere, in Sea Isle City. Several blocks of Sea Isle City got wiped out after the '62 storm, as a result of that storm. And the mayor at that time condemned the properties that got wiped out. He did some TDR. He was way ahead of his time -- Dominic Raffa. And today I sort of hold that out as an example that

it can be done. Is it expensive? Yes. But the alternatives are also very expensive.

My point is that while the State is targeting properties in the Raritan Bay, and Sayreville -- very important -- Passaic Basin, important -- we're really ignoring opportunities to acquire oceanfront property in some of these heavily impacted areas. And I'm thinking of places like Ortley Beach, which everyone has seen -- it's sort of the Ground Zero area -- where the devastation was extreme. And I think one of the problems is that the bar has been set so high for when an oceanfront acquisition can happen with State funds. It has to be a willing seller, which I think is important; but it also has to be a willing community, which I don't think should be a standard for bailing a property owner out who wants to get out of a hazard zone. We shouldn't have to condition that on the town agreeing to do it, because the town's interest is not necessarily the property owner's interest. And so what we're missing are opportunities to acquire some of these oceanfront properties, create a little bit of space where it doesn't currently exist. And that space then can be used to build sand dunes, to restore dunes; and on the Bay side, restore wetlands and natural systems that will protect our communities. People always say it's very expensive to buy that house, but we're spending an awful lot of money, and we'll continue to do so. And we're doing it in a manner that's not really sustainable over the long term. We're going to have to keep spending the money, whether it's beach nourishment, or sea walls, or whatever it may be. We have to adapt differently, and we have to pull back incrementally to create some additional space within which we can sustain these natural systems. That's very important.

Getting back to the point of beach nourishment and dunes, there's an interesting contrast when you look at a lot of engineered beaches. And these are beaches that are essentially built with pumped sand and, oftentimes, sand dunes that are built through bulldozing the sand into that formation. There are other communities that have never had a beach nourishment project, ever -- communities like Seaside Park, the Midway Beach section of Berkeley Township. And when we do the damage surveys after storms -- particularly Sandy -- we saw extreme damages in Seaside Heights, and Ortley Beach, and immediately south of those communities. And in Seaside Park and Berkeley Township, oceanfront damages were minimal, and the reason is because they had that space. They had that setback; they had the good land use practice; and they had the very healthy dunes that, in combination, provide the protection.

So I think the message and the lesson learned is, building dunes out on the beach, pushing sand in the ocean is not necessarily going to be enough over the long-term. It's not sustainable. Without pulling back a little bit to create additional space for these systems to exist and sustain themselves, we're really going to be pouring a lot of money into the ocean until we come up with a better idea; unfortunately until the next storm comes in and repeats history.

So I'd like to point out the fact that there are communities that haven't had to rely on beach nourishment, which is effective but it's very costly and it's temporary. And there's a question about how long can we afford to do this. And probably because of my background as a geologist, I look at very long time periods. I'm not even talking about geologic time

here. I'm talking about 25 years, 50 years, which may sound like a long time, but it's a planning horizon. It's our kids, it's our grandkids.

So I think it's important that as we spend all this money on nourishment, we have to look at land use management as a complimentary mitigation strategy. Because just doing one isn't going to cut it. And if we can apply a number of strategies, we'll be much more effective in protecting people and property, much more sustainable, and much more responsible with taxpayer money. There are a lot of competing needs. We have problems all over the state with transportation infrastructure failing, our schools, our police -- all of these tremendous problems. We shouldn't be perpetuating more of the same problems and costs that we have along the shore.

Moving on to the infrastructure: We have a tremendous opportunity now, as we reconstruct infrastructure, to look at new technologies, particularly in some of these urban areas that are so heavily developed -- 95 percent impervious cover, very little open space. We have an opportunity to retrofit a lot of the systems and apply green infrastructure techniques that remove pavement, create more green space that allows for stormwater to infiltrate. And we can't think of everything as being Sandy-proof, because it will never be Sandy-proof. And I hate to say it, but we're not stronger than the storm. We never were; we will not be. But we can be smart; we can adapt. We can try to make incremental changes so that all the range of the floods -- these different frequency storms -- we can better respond and adapt to those conditions. That goes for the stormwater infrastructure.

And then very briefly on another side-- And we've been lucky we haven't had a drought condition. But having worked at DEP for 30 years through several droughts, we know it's just a matter of time. And we have serious problems with our water infrastructure. Many of those systems will be benefiting from this aid that is coming in for reconstruction. And one problem that I see -- and I lived it while I was at DEP -- is that we have a State Water Supply Plan that is 17 years old. It's an embarrassment. I was embarrassed when I was Commissioner of that, that it was that old. That Water Supply Management Act requires that this plan be updated every five years. It hasn't been updated since 1996. When I took over as Commissioner and had the authority to really boss people around, I had our Water Supply Division, in one year, complete a final draft update of that plan, which was being reviewed in December of '09. And unfortunately I ran out of time due to the circumstances of the election, which is fine. But that plan has languished. And the word from DEP now is that they have "parked the plan." That's a quote from the highest levels of the agency. We have to get the plan out of park. We have to put it in drive. And we need that plan to be updated, because that's the vision for how we deal with infrastructure needs in the future. Where are the demands, where are the supplies, where are the shortages going to be, how do we interconnect, how do we build more resilient infrastructure so we maintain water service? So it's a very simple action. And I think -- not to presume I know how you do your business -- but having a statute requiring an update that's been ignored -- and it was ignored for a long time. It's not just the current Administration. I think it's time that we do what the statute tells us to do. Get that plan updated. That can be what guides the water infrastructure

decisions. Without that, we're missing opportunities as we invest a lot of money in this infrastructure to enhance it, to make it more resilient and adapt to current conditions.

Last few points: I mentioned the Act. There are two bills I want to comment on. You may hear about others that I think we need to move ahead. There has been some good legislation coming out of Sandy. The bill that I know Senator Smith and, I believe, Senator Whelan put forth to provide relief for homeowners from the height restrictions as they elevate the homes -- it's a great bill; very important.

Senator Whelan has a bill he sponsored to direct the DEP to establish a priority system for shore protection funding. We contribute \$25 million a year -- the taxpayers. It comes from the Realty Transfer Tax. We need to have an above-board process for how projects are selected. What's being considered? What are the costs? Are they the right projects? And I think that that bill -- we need to mobilize support for that bill.

I will also beat the drum for Assemblyman Barnes' Coastal Commission bill. I think one of the things that has been clearly evident in the wake of Sandy is that we don't have very well-integrated planning for our coast. We have State agencies doing planning, we have county agencies doing planning, we have universities doing planning. We have a lot of bright people in the state. You heard from Dr. Farrell. There are great guys at Stevens Tech who do coastal engineering work. Rutgers has amazing talent. And we're missing an opportunity to tap all this expertise of people who know these issues, who can help formulate planning and policy. The Coastal Commission, I think, is an idea that-- It was good enough for

Governor Kean in the late 1980s. It should be good enough for us today. I think he was a visionary in that, and I would hate to see that not happen.

Let's see, just two more points: In the wake of Sandy, there was a lot of talk about the dreaded red tape. And you hear a lot of that in Trenton lately about the -- "We have to cut the red tape." I'm particularly concerned about the extent of emergency rule making that's gone on at the DEP over the past eight months. I can understand changing rules to make administrative requirements simpler to help people through the process, but we've seen amendments to the Flood Hazard rules, the Coastal Zone Management rules, the Coastal Program rules. And it's all been talked about -- red tape and streamlining. But if you look at the changes, these are substantive changes to environmental standards that are not necessary to deal with the Sandy recovery. And it's really frightening because the process is, DEP adopts these rules-- The minute they put the paper -- and they submit it to OAL, it's effective. The public gets to comment. And I've commented; a lot of folks have commented. FEMA has actually commented on some of the Flood Hazard rules. And the comments get ignored, the rules get adopted as proposed. There are inconsistencies in this rule with the NFIP. It's been brought to DEP's attention. This is serious business, because the NFIP is what provides insurance for our communities. Without that flood insurance, there would be a lot more hurt out there.

We have Coastal Zone Management rules that change the standards for how towns can bulldoze beaches and, in some cases, bulldoze sand so that it doesn't build the dunes higher. That policy is a disaster. If that policy were in effect in Atlantic City, these dunes that we built starting in the mid-'80s wouldn't have been as big as they are today and would not

have held back Sandy to prevent all that damage. So we need to get back to the Administrative Procedures Act, where you promulgate a rule by a proposal, you take public comment, hopefully you have stakeholder input into that rule. We used to do a lot of IPRs -- interested party reviews -- where we would meet with the communities and stakeholders -- meaningful, not select guest-list meetings -- open meetings where anybody can come and talk about how the State policy will develop in these areas. We need to get back to that and hopefully no more of this knee-jerk emergency rule making at this point.

And lastly, the point of planning -- and I emphasize that because I think it's severely lacking. We haven't seen the resources and the effort to implement comprehensive planning beyond the stovepipes of the agencies, and that's the key. We need to get more input into those. There used to be many opportunities for interest groups to meet directly with the commissioner of DEP. I sat in on a lot of those meetings, I conducted those meetings. They were very valuable. They weren't always fun, because some of the folks who came in said things we didn't like to hear, but we need to hear that. We have to get all of those opinions and perspectives.

We have hazard mitigation planning that is going on now in communities and counties. We need to support that very strongly. Currently there is money out there. We have to make sure these groups have the resources to do the planning. They need to look at land use management, which is really the missing link in a lot of these plans. Building bigger, and stronger, and harder is great, but land use has to be factored in, and we have to recognize -- particularly in the coast -- sea level rise is a reality. We have tide gauge data from the Steel Pier out here and

from Sandy Hook. We know sea level has risen 1.3 to 1.4 feet over the past 100 years. It's happening. We have to factor that into our planning, our regulations, and our policies.

I thank you for your time.

SENATOR SMITH: One question for you, Mark.

MR. MAURIELLO: Sure.

SENATOR SMITH: How important for making New Jersey storm-resilient is the need for a stable source of funding for Open Space?

MR. MAURIELLO: Well, it's a good point. I failed to mention that, and I should have. My discussion about acquisition-- Obviously I'm feeling a little drunk by the Federal dollars coming in, but they're going to be gone. And without that funding source-- And that's what it always comes down to. We don't have the money to do it.

The other thing is: We don't necessarily look at the long-term alternatives. So when someone says, "It's too expensive to buy out this row of oceanfront homes," I would ask, "What is the cost to let them rebuild in that location?" Now you've just basically signed on to ongoing nourishment, more storm damage and misery to these homeowners, more recovery costs, putting these communities at risk of having to deal with this. So we have to ask the tough questions of the alternatives. And clearly, without having a pot of money-- New Jersey has a great program -- the Blue Acres Program, the Green Acres Program -- it's renown, it's effective. It's not just farms anymore and historic sites, it's flood plains and high-hazard coastal property. We have to be aggressive with that. Without a stable source of funding it can't happen. And I understand taxes are a bad word, but I do think going back and looking at all the options, a water tax

probably makes the most sense; but that's not my business, that's your business. And I will leave that to you folks.

SENATOR SMITH: Thank you for your comments.

MR. MAURIELLO: Thank you.

Maryann Flanigan, Legal Services of New Jersey.

M A R Y A N N F L A N I G A N, E S Q.: I have copies of my statement. I'm not sure if I should give them to you now.

SENATOR SMITH: You need to sit so everybody can hear what you're saying.

I believe what you just said is you have copies of your statement.

MS. FLANIGAN: Sure. Yes, I have copies of my statement.

SENATOR SMITH: So give us the summary.

MS. FLANIGAN: Okay, sure.

First of all, good morning and thank you for the opportunity to appear here on behalf of Legal Services of New Jersey and on behalf of the numerous New Jersey residents who were affected by Sandy.

In the immediate aftermath of Sandy, the Robin Hood Foundation gave Legal Services significant support, which allowed us to begin providing free legal services to New Jersey residents who had civil legal problems caused as a result of Sandy. Then the Hurricane Sandy New Jersey Relief Fund also provided us assistance. So, to date, we have been the major legal services provider in the State of New Jersey for people with Sandy-related legal issues. We have assisted over 1,500 clients free of charge, and we continue to assist more clients. Even now, 10 months after

the storm, we still get new clients on a daily basis who have Sandy-related legal issues.

So I'm going to divide my remarks into two sections. First, I will speak about a couple of immediate needs that we think could be addressed very quickly, and then I will highlight a few points that could be addressed in a more future-focused perspective for any future disasters.

So the first immediate need that we think needs addressing is, there are townships in Cumberland County and other counties throughout the state that were not designated as disaster counties. And the residents in these townships have not been able to qualify for State grants like the RREM program. So one of the first things we suggest needs to be done is designating these non-disaster townships -- or the townships that are in non-disaster counties as eligible for grant assistance. We had one client who suffered substantial damage to her house and is still suffering. She didn't have flood insurance. Homeowners didn't cover the flood damage, and she couldn't qualify for RREM assistance.

The second immediate need we think needs to be addressed is creating an obligation for insurance companies to furnish not only the full copy of the policy, but also all endorsements -- all related benefits and coverage -- to the insured upon request. We've had numerous clients who contacted their homeowner's insurance company after Sandy. They filed a claim, they requested a copy of the policy so that we could provide better legal assistance for them. We would receive a copy of the policy, and there would be an indication on the declaration page that there are maybe 8 to 10 endorsements. None of those endorsements were provided. One client submitted a statement. It's included in the long version that I will submit

to you. Basically, she just got the final parts of her endorsements last week. She's been fighting with her homeowner's insurance company for six months to get copies of her endorsements. She had one of the attorneys in our office calling the insurance company, writing letters on her behalf. And she just got -- finally, six months after a fight with the insurance company -- finally received the copies of her endorsements. And what's even more surprising and disturbing is, the couple of endorsements that her insurance company delayed delivering to her were endorsements which contained coverage for things that they were trying to deny her for, that she should have been covered for, from the first day that she applied for Sandy assistance under the Sandy plan.

So we do suggest that the State take some type of immediate action to provide this right for insured New Jersey residents. We are aware of the bill which was recently signed by the Governor requiring homeowners' insurance companies to provide a one-page summary of the policies. So we think that this other requirement -- that they furnish all of the endorsements and related coverage -- would be a great supplement to that bill.

I'm going to now discuss some future needs that would be geared toward addressing issues for future disasters. One of the first things that I'm going to mention in this regard is something that many, many, many of our clients encountered, again with insurance issues. However, this was on the side of the mortgage companies not releasing their insurance funds to them from the escrow in a timely manner.

So, as you're probably all aware, when the insurance check comes to the insured, if there is a mortgage on the house, the insurance

check is made out to the insured and to the mortgage company. The mortgage company then holds the check in escrow and releases it in increments, which are typically not very well clarified in the policy. So the insured is kind of trying to figure out from the mortgage company, "Okay. I have this contractor who is here, ready to do the work. When am I going to get the first installment? When will I get the second installment? How will I be able to get this done in a timely manner and get repairs done quick enough so that everything is completed before the damage gets worse?"

One of the things we recommend the State should do is issue guidelines for mortgage companies regarding how insurance proceeds need to be disbursed both before repairs begin, as well as, as repairs are ongoing. And we think that is something that would help a lot of New Jersey residents, both in this disaster and in future disasters where any insurance claims need to be filed.

One of the second future needs that we think needs to be addressed is, there is a significant housing and rental shortage, which was already in New Jersey prior to Sandy. Then, when Sandy affected the shore counties and numerous homes, motels, apartment buildings, residences were destroyed, it only exacerbated the problem further. So we also encountered issues where residents were able to receive FEMA temporary shelter assistance. And this helped them in that situation, but then the temporary shelter assistance didn't really provide them enough time. Because with the housing shortage, even if they were able to get a DCA voucher, they couldn't find a place to go, and then they were kind of left scrambling. Some clients had to then move their entire families into, like, one-bedroom apartments just because they couldn't afford to move far away from their

jobs or move their kids out of the school district. So there were a lot of issues that were significantly worsened by the housing shortage and the lack of affordable housing for people of all financial incomes.

And I have here with me a client, Sonia.

Sonia, would you like to speak about it now or at the end, after my remarks?

S O N I A D A L E Y (phonetic spelling): After your remarks.

MS. FLANIGAN: Okay. So Sonia will speak about her experience in a few moments.

And one of the other future needs which we think needs to be addressed is better publication and better publicity of the home repair contractor regulations, which the State has available for New Jersey residents. So we're all aware that the Consumer Fraud Act and the availability for any New Jersey resident to contact the Division of Consumer Affairs -- find out whether a contractor is licensed or what their reputation is. But despite all of these great resources, we have numerous clients who were scammed and defrauded by very shoddy and shady contractors both from New Jersey and from outside of the state of New Jersey. Even the New Jersey Attorney General's Office recently filed charges against eight contractors. So despite all of these great protections, there is some disconnect between New Jersey residents actually understanding their rights, and understanding the steps they need to take to protect themselves and protect their insurance money in a disaster when they're trying to get their homes repaired. So we just suggest that the State really focus on some further distribution efforts of awareness, fact sheets, public awareness campaigns, radio ads, circulars, things like that to really make sure that New

Jersey residents understand what their rights are and understand the steps they need to take to protect themselves.

Another future suggestion that we recommend is with regard to abandoned tenant property for renters. Particularly in the shore counties, we had clients who were displaced or evacuated. And due to martial law, or just numerous issues with even getting across the road to return to their home, they weren't able to return to their rental property for weeks after the storm. By the time they got back, they found out that their landlord had disposed of pretty much all of their property. In some situations, yes, the property was damaged badly by flood water. In other situations, the tenant is not really confident that that's what happened.

There is a New Jersey statute that requires a landlord to notify a tenant in any situation when they're going to be disposing of property that they think is abandoned. And in a situation like Sandy, where mail notice isn't going to be effective because the tenant can't receive mail at that property that they've been displaced from, there needs to be other protections in place, statutorily. So we suggest having a requirement that the landlord has to also include phone contact to the tenant, possibly e-mail contact. And this is something that could easily be included in any lease agreement. There should just be some disaster emergency clause where the landlord is then required to use these different methods to contact the tenant when there is a disaster and normal means of notification aren't available. And we also do suggest that in the disaster situation, if the landlord does want to give the notice and dispose of the property, they should be required to wait at least 21 days in extension from what the statute already requires. Because when people are displaced, they're getting

their mail forwarded. It could take awhile for them to even receive the notice and know that they have to go claim their property.

Another future suggestion that we have is strengthening the requirement for landlords to notify tenants that they're in a flood-risk zone. We had clients who rented single-family homes and didn't know they were in a flood-risk zone. So they never pursued or even inquired about flood insurance. Then they suffered substantial damage, and they couldn't get it covered. The landlord never told them. There is a statute that requires landlords to tell tenants that they're in a flood-risk zone. Many landlords do not comply with the statute. And unfortunately, the statute does not cover tenants who are in single-family rentals or tenants who are in seasonal occupancy rentals. So we do suggest that the statute should be expanded to provide further protection for those New Jersey residents who weren't informed of the fact that they were in a flood-risk zone. Also, we do suggest that the statute should require the landlord to give that notice of the flood-risk zone as a written notice. It could be something included with the lease or just in a letter when they sign the lease.

SENATOR SMITH: Are there any penalties for not providing notice?

MS. FLANIGAN: So right now there are no penalties. There was one case that kind of addressed the issue. The judge ruled that there is a right to void a lease when there is no flood-risk notice, but there wasn't any actual compensation for the damage that the tenant sustained due to lack of notice.

ASSEMBLYWOMAN SPENCER: And then you don't find out that you have the right until after the damage has already been sustained.

MS. FLANIGAN: Exactly.

ASSEMBLYWOMAN SPENCER: And you really have no relief.

MS. FLANIGAN: Exactly.

The final suggestion that we have is strengthening the tenant's right to use the rent for habitability repairs in a disaster context. So obviously when Sandy hit, there were a number of renters whose property sustained damage. They had floodwater damage, they had debris, things like that. And we had one renter who contacted us. His unit took in about five inches of floodwater damage. He contacted the landlord and asked the landlord to make repairs. The landlord said, "I'll get to the repairs, but you're still responsible for the rent." The landlord took about a month-and-a-half to do the repairs. And the tenant sought our assistance because he couldn't live there for a month, and he didn't feel it was right for him to pay the rent for that period.

So there is a statute, that is New Jersey statute 46:8-6, and this statute says that when a rental property is injured by fire, and it's not the tenant's fault, the landlord has a duty to repair quickly. And if no repair is met in a reasonable time, then the rent shall cease until the building is repaired quickly. So we do recommend that this statute be expanded to also address disaster context, where if there is flood damage to a rental unit or some other type of disaster that is not the tenant's fault, there should be a protection, statutorily, that the tenant has a right to withhold rent at least until the premises is habitable again.

ASSEMBLYWOMAN SPENCER: So the courts have not interpreted -- or the courts have not allowed for flood situations to be included in that?

MS. FLANIGAN: So, there haven't been a lot of decisions on this issue yet. The client who I was referring to specifically ended up settling with the landlord, and we got a very good settlement for the client. There were some cases-- Well, in one case there was an unreported decision, and I think there may have been some other cases that were unreported where it was just an issue of habitability due to lack of power, which was not under the landlord's control. And in those circumstances, I think it was pretty much going to boil down to whether the landlord is required, in the lease, to provide utilities. Because that then creates an extra obligation -- that the landlord is supposed to be responsible for those services being provided to the tenant.

ASSEMBLYWOMAN SPENCER: Okay.

MS. FLANIGAN: So that pretty much wraps up my remarks. I just do want to mention, with regard to the entire situation that our clients are facing with housing, rebuilding housing, lack of housing: There are all these reports that are still coming out now in 2013 about the affects of Hurricane Katrina -- about still the lack of housing for people in those areas. So I just think it's important that we remember that in New Jersey, eight years from now, we don't want to still be facing these problems. We need to move quickly and get reforms made.

With that said, I'm going to allow Sonia to now speak about her experience. She's going to be touching on her experience with being

displaced from Sandy and then the long struggle she went through to get a voucher for assistance.

MS. DALEY: Yes, my name is Sonia Daley, and I was displaced by Sandy.

For the first couple of days we were out -- but after -- we get a good response. But after November, we were in a four-bedroom (*sic*) -- me, and my daughter, and my grandkids. We could not get any place for us to be situated. We had to move into three different houses -- two of my daughters. And one of my daughters went out and got a two-bedroom to rent, but I'm living with one of my daughters still.

And the problem I'm having is that when you call the Housing Authority, we are getting, "Go to this line, go to that line," and nobody can give you any answer whatsoever. This is my complaint -- no answer. I had to take it upon myself and write even the President; Mr. Whelan, everybody -- every Senator, every local person, even Mr. Langford's office. And it was yesterday, after 10 months, before I got a paper, because I went back to the Housing Authority and started screaming -- they gave me this paper for me to pick up a voucher on Tuesday. Mr. Whelan's secretary Kathleen -- she called me. She listened to what I was saying for about a half-hour. She said, "Ms. Daley, I'm going to call some people and call you back." She called me back, and what she got was that there are no more vouchers for us to get. I'm not begging -- I'm not asking for the government to pay my rent. I have a \$872 Disability check. I'm willing to pay half of my Disability check for somewhere to live. I just want somewhere I can pay my rent. Because last year I could get a one-bedroom for \$350. Now, the same one-bedroom you can get for about \$900 -- same one-bedroom. And

that-- Where I'm coming from -- I'm coming from my friends-- We're still living in a hotel with four kids in one room, no kitchen. And that's where I'm coming from. I got my place because I know how to go about-- I can defend myself. But I'm talking about people who are still in the streets. I'm in the street because I live with my daughter, and to have her to have it convenient during the day, I leave and go out in the street. And when I go out in the street -- and what I see I can't believe -- so many people who live in Atlantic City homeless because of Sandy. And all we're asking-- A lot of them -- I'm telling you, because I have a friend who is still working -- living in a hotel because they can't afford to pay rent -- no vouchers. I was at Pleasantville High School last week -- Monday -- and they were only taking people who had vouchers. The people who don't have vouchers -- they're turning them away. And I don't believe that's fair. We weren't displaced because we want the government to support us. We just want to get somewhere where we can afford to pay our rent. I'm not begging for a handout; I'm just begging for somewhere affordable.

SENATOR SMITH: We understand.

Thank you for your comments.

ASSEMBLYWOMAN SPENCER: Before you go though, Ms. Flanigan.

MS. FLANIGAN: Yes.

ASSEMBLYWOMAN SPENCER: You had indicated something with regard to an insurance company. And I forget where my notes are. But I am also the Vice Chair of the Assembly Finance and Insurance Committee. And the Department of Banking and Insurance has extended itself in those situations where they're having problems dealing

with the insurance companies. And certainly there is an ombudsman who has involved themselves in a lot of situations that arose in the northern part of the state, where my office has been contacted. If you are still experiencing problems in communicating with insurance companies with regard to responding to requests for information on behalf of your clients, please contact your local Senator or Assemblyperson, or the Department of Banking and Insurance directly, for assistance. And trust me, they will be a lot more responsive.

MS. FLANIGAN: I can say the Department of Banking and Insurance has been very helpful to a number of our clients. But it's almost a shame that the client has to threaten to contact the Department of Banking and Insurance or actually have someone call on their behalf just to get the policy and the endorsements that they're paying for.

ASSEMBLYWOMAN SPENCER: But you know what? We're here. And my mother used to always say, "Use me while I'm here, because one day I may not be." So use them, because you never know-- They do it to one client, they do it to another client, and it goes on, and on, and on. And insurance companies need to be held to the fire.

MS. FLANIGAN: Yes, I agree.

Thank you.

SENATOR SMITH: Thank you for your comments.

MS. DALEY: And please release those vouchers to those homeless people.

ASSEMBLYWOMAN SPENCER: Certainly.

SENATOR SMITH: Staci Berger, Housing and Community Development Network of New Jersey.

S T A C I B E R G E R: Good morning.

Thank you for the opportunity to testify today.

My name is Staci Berger. I'm the Executive Director of the Housing and Community Development Network of New Jersey, the statewide association of more than 250 community development corporations, individuals, and other organizations that support the creation of homes and economic opportunities for low- and moderate-income New Jerseyans.

With me today are Lee Ann Newland and her husband John Lambert, from Neptune -- I don't know where John went -- oh, John's all the way behind me, sorry -- and Simone and Kenneth Dannecker, from Union Beach. Both of these families worked with our affiliate in Monmouth County -- the Affordable Housing Alliance -- after the Storm hit, and they're going to tell you a little bit about their experiences. I just wanted to give you a little bit of the overview that we've heard from community development organizations around the state.

And I have copies of the testimony for anybody who wishes to read those.

Like so many natural disasters, Hurricane Sandy disproportionately impacted low-income communities and households. Forty percent of the folks who registered with the FEMA for assistance have incomes below \$30,000 per year. The proportion of those folks is particularly high among renters, with nearly two-thirds of the renters registered for FEMA qualifying as low-income. Thousands of families are still displaced from their homes entirely, and many former homeowners now have to rent. As a result, the already competitive rental housing

market in this region simply is squeezed. We just don't have the number of homes that we need that people can afford.

According to the National Low Income Housing Coalition's Out of Reach report from this year, New Jersey is the fourth most expensive state in the nation to live in. And they did that report before the data came in -- how Sandy impacted those communities, county by county. So we're looking forward to seeing that data later in the year.

Unfortunately, the Christie Administration requested less CDBG-DR money for renters than what we knew was actually needed. The State's original request to HUD would have allowed only 25 percent of the funds to be used to address rental housing needs. While the plan was changed to require the State to use a third of the allocation towards rental housing needs, it is still much less than what we know that we needed. So we urge you to help ensure that second-round plan amendments for additional CDBG-DR -- which we expect to come out in a moment -- be used to redress the remaining unmet housing needs of working families, seniors, people with disabilities, and other lower income New Jersey residents. We need to be sure that when we rebuild, we do so in a smart and resilient way, so that the next time there is a storm like this -- and unfortunately we think there will be a next time -- we're not right back here having the same conversation.

So in order to ensure the next tranche of money is properly allocated, we think the State needs to make public its most recent data on the total post-storm housing, economic, and infrastructure needs, and directly compare this data with the remaining unmet housing needs at the Census tract level. The Christie Administration should hold public hearings

as well as public comment periods prior to submission of the draft second-round plan amendments so the plan that our State puts forward has the most informed and representative input possible.

Further, we're concerned that some key issues have not been effectively addressed to date and urge that they are addressed in the next round. First and foremost, we need much more effective outreach to help people who lost their homes, both renters and homeowners, as well as business, so that Sandy victims can learn about the programs and resources that can help them.

I don't know about you all, but I haven't seen one billboard or television ad that tells people how they can actually be stronger than the storm. How about an 800 number that people can call to get help, or even promote the 2-1-1 system? Additionally, a portion of New Jersey's pending CDBG-DR allocation should be used to increase the number of housing counselors who work with community-based organizations to work where people go when they have needs. Our members have HUD-certified and trained counselors, people who are experts in helping folks in difficult situations navigate programs and services, many of which are complicated and complex. And they are located in the affected communities. Those folks are on the front lines of dealing with housing needs, and they are exceptionally well-positioned to help people in their communities get the assistance they need. Instead, people are being asked to go to housing resource centers. And they're only helping folks if they are a homeowner applying for the RREM program. If they're a renter and they don't know where to go, there is really nobody available to help them. So we think that needs to be resolved in the next tranche of money.

Finally, the State needs to do more to address the housing crisis overall. The Christie Administration should create a significant pool of funding -- \$500 million -- to support a variety of affordable and mixed-income housing developments, both rental and for sale. The current programs, although well-intentioned, are still inadequate to address the dire need for homes in Sandy-impacted areas and in the surrounding communities. We know that folks from Monmouth are looking to move into places in Mercer County because there is just nowhere they can afford to live where they used to live. So even though Mercer is not an affected community -- affected county -- they don't qualify for the nine most affected counties -- that housing stock is really being disproportionately impacted.

In addition to best using Federal funds, there is a lot that New Jersey can do to address the housing needs of Sandy victims. We can use the New Jersey Housing Trust Fund to rehabilitate and build new homes instead of using it to back fill the budget every year. We can prevent the Governor from taking \$160 million in Municipal Housing Trust Funds from towns that are trying to address the needs for affordable housing in their own town. Eighty million of that \$160 million that has been at stake is based in the nine hardest-hit counties. We heard the Governor, and we believed him when he said that he would help families and businesses that were harmed. I can't understand why he would then try to take money that's dedicated specifically to helping those folks create homes in their community.

Last, we want you to also help ensure that the Public Trust Doctrine, which makes public access to the waterfront a right for all New

Jerseyans, is enforced. Unfortunately, the Governor's recent policies have curtailed public access regulations and made it more difficult for residents to reach our shoreline. I'm from Massachusetts originally. I've lived in New Jersey my entire adult life, but I still can't grasp that we have to pay for people to go to the beach. It's just one those things I kind of can't get past.

We know that from beaches along the Jersey Shore to the Hackensack River, and all along the coastline in between, it is becoming harder for folks to reach the water's edge. As billions of dollars -- not just from taxpayers here, but from folks across the country -- are pumped into our state, we ought to be trying to implement policies that expand opportunity for all of our state's residents to access our rebuilt and replenished coastline. Money for restoration and recovery should be conditioned on public access. That way when we restore the shore, and the Ironbound and parts of Bergen County, we do it for anybody.

So we thank you for your attention today.

I want to turn the mike over to Simone.

S I M O N E D A N N E C K E R: Hi. How are you?

I'm here on a more personal level.

SENATOR SMITH: And your name is, ma'am?

MS. DANNECKER: Simone Dannecker. I'm sorry.

It starts off, I've lived in Union Beach for 43 years -- my entire life. I grew up right on Brook Ave., where all the homes were decimated. I now live three blocks up, where I was residing when Superstorm Sandy hit--

SENATOR SMITH: Move your mike over a little bit.

MS. DANNECKER: --taking on almost three feet of water in my house. Of course we had to begin the process of gutting the home prior to receiving any payout from the insurance companies. Again, we decided to start the work, take what savings we had, and get to work to get the house rebuilt. I was faced with a husband who, at 45 years old at the time, needed a double hip replacement in October. So we decided to get the house back together.

I am now fighting my mortgage company to stay in the house. We became behind on mortgage payments because what we had we were putting into the house. Right now I'm working with Affordable Housing Alliance to stay in my home and keep my home. All the work has been done. We're applying for grants to have the home lifted. In the meantime, the mortgage company has me in court, trying to take the house away now that all the work has been completed.

We're still in a position where we have to lift the house seven feet above sea level. So the house has been put back together so that my husband can go in, have his hip replacements done. And I am just fighting and fighting. This is paperwork of no red tape. This is applying for grants. This is applying for numerous modifications with my mortgage company. One month after my mortgage company decided to take me to court, they sold my mortgage. I have money tied up in the new mortgage company for my insurance claim, telling me they will issue final payment when they find out the status of whether or not I'm keeping my home.

I just feel like everything has paperwork involved. I work a part-time job at a bank. I'm a teller. I work another part-time job filling

out applications, and grants, and paperwork to try to get us to stay in our home.

My other main concern is that we are in a town where there were 2,336 homes before the Storm. Fifty-two homes were taken away the night of the Storm -- totally gone, knocked down. Twenty-two of them were on one street, which was Brook Ave. We're now faced with-- Three hundred homes have been knocked down in our neighborhood alone, and there are still 100 that need to be knocked down. And FEMA has recently backed out of our township, saying they're not knocking the next 100 houses down, they'll have to find some other funding for that.

With that being said, we are living in a mold-invested neighborhood, where homes are mold-ridden. It's become an environmental hazard right in our own neighborhood. I'm left with: Do I fight to keep this mortgage? Do I fight to keep the home that I lived in and raised my kids in for the last 18 years, or do I walk away? Do I let them have it and walk away? It's a very emotional thing to deal with on a daily basis. It really takes away from your well-being.

We're left with: Can we afford to pay the taxes now that all the houses are gone? Who is going to get hit with this tax burden? We are, because our home is left standing. We'll be a taxpayer. I'm on a 50 by 100 lot in this little town paying \$7,000 a year in property tax. Yesterday I got a letter from the town, assessors will be out within the next two weeks to reassess our properties to figure out where we should be with paying taxes. I just don't-- We have the Chief of Police in our town earning \$168,000 -- we're one square mile -- salary. But yet, they want to raise my taxes. Because now, with over 900 homes that were flooded, 600 homes that are

supposed to come down, we are-- In the beginning, Union Beach made the news, made the headlines -- all the help we needed. We have gotten more help from nonprofit organizations like Gateway Church and people right within our town -- UB Strong -- I'm sure you have all heard of this organization. They're doing more for our little town than the State is. The State has got us, again, wrapped up in so much paperwork. It consumes your life, it really does.

You talk about programs available. We had one local business in town where our revenue came from, which was Jakeabob's on the Bay. This poor woman has applied for a \$50,000 EDA grant. For over two months she has been tied up in paperwork. All she is trying-- She employed 74 people in our little town of 2,300 homes. Now we have over 50 people from her business collecting unemployment because of red tape and paperwork. She's dealing with a Mr. Constable, from the State of New Jersey, who is supposed to help her with this paperwork. And she, again, is met with, "We need more paperwork." I mean, it's ridiculous. I mean, if we're working-class, blue-collar citizens, and we've contributed to our taxes and our property taxes, why do we have to be caught up in this red tape? Why can't it be, "Prove your residency, prove you own the home, and let's get it moving"? I mean, we're just, again, so caught up in the bureaucracy of red tape.

You get so many different advisors when you get on a phone call. Never once have I spoken to the same person. And you get pushed along and pushed along. And you don't understand what it's doing to homeowners mentally, physically, and emotionally. And I really hope that you come up with a solution that helps people through this.

ASSEMBLYWOMAN SPENCER: I really appreciate the fact that you are here. Someone asked me before we began, what is it that we hope to accomplish here? And what I responded with was that there are things that are happening across the state that we do not know about. We see the commercials and we read what's in the paper, but we don't really know what's going on at the ground level. We don't know that there is a business that employed a large percentage -- that employed 74 people in the community, and now they're unemployed. And we hear numbers about unemployment across the state, but we don't hear about how it really reflects back into a community.

And I empathize with what it is you're going through. Most of us-- Many of us get calls every day about these things, and we're trying to do the best that we can. But hearing it from you, and having this information to go back and take it to those individuals who are in positions to help move things along, makes it more real. So I appreciate the fact that you're here. And just know that we're going to do the best that we can. We're going to take your information back, and we're going to make sure that something is done and that you are heard.

MS. DANNECKER: Well, I hope so. Because, again, September 10 I go back to court to decide my fate with a mortgage company who fought with me for years over a modification of paperwork. "Submit again. The State has a new program. Maybe you will qualify." I submit and, "You're a day late. You don't qualify. Submit again." I hear of all these new programs the State offers for people like myself, but when you apply through your mortgage company they're not aware. They are really not aware of the clarity of these programs. I'm fighting now for a

year-and-a-half to stay in a home where I sit and wonder, "Do I even want to be in this community anymore?"

SENATOR SMITH: Assemblyman.

ASSEMBLYMAN GUSCIORA: Thank you for your powerful testimony.

I'm wondering if Staci could help compile the red tape you speak about? I think the Committee -- it might be helpful to see what a typical homeowner has to file, what kind of paperwork they have to go through. Because we hear a lot about red tape, but we'd like to see what that red tape is.

MS. BERGER: Absolutely. We've actually--

MS. DANNECKER: It's all right here.

MS. BERGER: Assemblyman--

MS. DANNECKER: I have seven different applications for State programs to keep my home. Every one has-- I am a very particular person.

ASSEMBLYMAN GUSCIORA: It looks it.

MS. DANNECKER: I have all my ducks in a row. My husband is a self-employed contractor. He was out of work for 10 weeks with double hip replacement. But we're doing what we have to do to get by. I don't get State assistance. I don't ask anybody for anything. I have teenage kids who work full-time jobs, and go to college and go to school. We are the typical hard-working, blue-collar, American family who ask for nothing. But now that I'm trying to-- I was involved in predatory lending. That's what's started this whole progress of this mortgage. And they just-- Every time I try to get involved in a program to help me out of this mess--

Now they're telling me I owe \$320,000 on a house that's in a (indiscernible) community. This house isn't worth \$150,000 right now. I am doing them a favor by staying in that property. They ought to rent me that house for \$500 a month until they get their (expletive deleted) together and figure out what they're going to do.

ASSEMBLYMAN GUSCIORA: What part of it is tied up with your experience with the insurance companies?

MS. DANNECKER: That's a whole other nightmare. The insurance company is just -- again, paperwork. Submit a contract. I went through the insurance company. My husband is a contractor. That's why we were able to get our property done and turned around quick. We knew he needed surgery. We got the property done. And then it just became, "Your husband could be the contractor on the job, because you're a licensed New Jersey State contractor with a bank account and everything you need to be licensed contractor. Go ahead and do your own work on your home." I got half way into that work, and had about \$25,000 invested, and I got a letter from the mortgage company, "Because of the status of your loan, we are not going to allow you to be the contractor on the job. Get a contractor in there and get the work done by somebody else, and cease all work." So I did that. I got a contractor. But still, I have \$25,000 out of my pocket. "And you want your mortgage payment?" It just doesn't make sense. If I was a renter and doing the work, I would be reimbursed. This is the mortgage company's house; this is not my house. I don't own it.

ASSEMBLYMAN GUSCIORA: And is the insurance company paying 100 percent of your claim?

MS. DANNECKER: I kind of rushed through the claim. We got a horrible assessment of damage. And, again, being in the situation my husband was in -- self-employed -- I didn't know where our income was going to come from. I took the settlement. It was a measly \$26,000 settlement, but I had to take it. My mother came in during the Storm to help out and clean out all the debris.

ASSEMBLYMAN GUSCIORA: Based on the \$26,000 settlement, what is your estimate of what 100 percent of the claim would have been?

MS. DANNECKER: Probably about \$50,000 or more. I mean, it was the whole entire downstairs of my home.

ASSEMBLYMAN GUSCIORA: I hear more and more that the flood is--

MS. DANNECKER: I had to-- Now I am kicking myself. Can I get an attorney and fight this, and go back and get what I deserve? Probably. But who has time for that? Who really has time.

MS. BERGER: That's one of the reasons we've asked for the State to really look at providing continuing, qualified housing counselors who know the various programs, who could look at somebody in a predatory lending situation and say, "What you really need to do is X, Y, and Z, and not just go through the RREM program." The RREM program counselors are only trained in how to deal with that RREM program.

MS. DANNECKER: And they're not even trained in--

MS. BERGER: We've asked for guidelines.

MS. DANNECKER: They're really not.

MS. BERGER: We've seen letters from folks who have been turned down for the RREM program, so we've asked for guidelines. There are no program guidelines to my knowledge that are publicly available. And if you all could help by asking Mr. Constable for those program guidelines, that would be great. Folks are getting letters saying, "You've been disqualified for the program because either your damage is not significant enough, you make too much money, or there is some other disqualifying reason. You have the right to appeal." But you don't know what the disqualifying reason is.

SENATOR SMITH: Your story is a horror story. There is no question about it. And as Chairwoman Spencer indicated, we're going to be forwarding this information to the appropriate parties and saying, "Why is the State--"

MS. DANNECKER: Well, I hope you forward it on a personal level so that--

SENATOR SMITH: Yes, yes, yes. "Why is the State not doing--"

MS. DANNECKER: --September 10 my fate is not decided by some mortgage company.

SENATOR SMITH: Why is the State not doing its job for you? You're being treated horribly.

With that being said, New Jersey Television is here today. I'd like to nominate this for "Kean in Your Corner." This needs more exposure on public television and to the people of New Jersey. So if you'd bring this back to Mr. Kean, we'd very much appreciate it.

UNIDENTIFIED SPEAKER FROM AUDIENCE: That's News

12. We're (indiscernible). (laughter)

SENATOR SMITH: Well, all right. Well, let us make a--

MS. BERGER: The thing is, "Kean in Your Corner"-- He would do nothing but these shows. You're going to hear Lee Ann's story in a minute, and that's going to be a horror story too.

SENATOR SMITH: Well, let us call him after this hearing, and let's see if we can get some public exposure on this nightmare and get the State of New Jersey to do it's job.

MS. DANNECKER: I have 25 days to meet with my mortgage company in court again, and they will decide my fate at that point -- if, after \$50,000 worth of work done on their home, I get to stay or I'm going to have a sheriff's sale to get out. So I really hope you put some exposure-- I really hope somebody--

SENATOR SMITH: Have you had an adjournment yet?

MS. DANNECKER: No.

SENATOR SMITH: Everybody is entitled to an adjournment.

ASSEMBLYWOMAN SPENCER: At least one.

SENATOR SMITH: At least one.

MS. DANNECKER: Well, I'm being represented by the Housing Alliance in Eatontown -- through the legal services through them. I don't know that I even want an adjournment. I need to move on in my life. I really need to know where I'm at.

And real quick on an insurance issue -- I want you to know that that little restaurant in our town on the Bay paid \$44,000 in premiums. She was going to come with me today -- \$44,000 in premiums in one year,

and they offered her a \$10,000 settlement because it's wind-driven water, which becomes a wind. It's a nightmare. And if somebody-- This woman has stepped up to our town, and given, and offered so much. She really needs help.

ASSEMBLYMAN GUSCIORA: Unfortunately, the State of New Jersey does not mandate that insurance companies bargain in good faith. And there is a bill in the Legislature, and I hope all of us redouble our efforts to make that a reality.

MS. DANNECKER: Thank you for your time.

SENATOR SMITH: Thank you.

LEE ANN NEWLAND: Good afternoon.

I had to write my comments so I wouldn't forget what we were going to say.

My name is Lee Ann Newland. My husband John Lambert and I lived in Shark River Hills, New Jersey, a picturesque waterside community in Neptune Township. It is important for you to know who we are in order to understand why we are here today. We are both music educators. We have two college-age daughters. We live a comfortable and very modest lifestyle. Paying our mortgage, taxes, and tuition bills for our girls, as well as being responsible members of our community, are things that are important to us. We have never relied on any government programs. Our cars average 11 years old. We run a non-profit music organization that provides music instruction for children in underserved areas of the Bronx, as well as a summer music program.

We were asked to speak briefly about our lives and experiences Post-Sandy. No words can truly describe what our life has been like over

the last 10 months. We thank you for the opportunity to share our story, and we thank you for hearing all of the stories and voices you are hearing today. We do have slides on PowerPoint as well.

Throughout the past 10 months, while working full-time as teachers, we have spent the better part of our free time on the phone, writing letters, filing applications, filing appeals, and generally being frustrated with all of the above. We followed the direction of the people who were in charge of the many agencies and institutions we were introduced to and directed towards in an attempt to clean up and return to our home. Our files, which include one copy of each application, appeal, letter, response, follow-up, etc. weighs over 10 pounds. While oftentimes frustrated, we followed leads, did Internet searches, made phone calls, and kept the goal of getting back into our home in front of us.

The agencies we list below should be especially lauded for providing not only immediate services, but long-term follow up: the Township of Neptune, the Red Cross, Salvation Army, AmeriCorps, Volunteer Lawyers for Justice, Hope and Healing, the Affordable Housing Alliance who also paved the way for us to speak here today, numerous local church organizations, the Mennonites who provided workers to demolish the interior of our home and many homes in Shark River Hills, and the many good Samaritans coming from as far away as Cherry Hill, New Jersey, knocking on our door to ask how they could help. We also reached out to the offices of Senators Beck and Buono, and Assemblypersons Smith, Angelini, and Casagrande when FEMA decided to discontinue our support after two months and we needed someone to help us convince them we were still homeless.

While numerous organizations helped not only us but members of our community, it is necessary to call out those who fell short of their responsibility to the working middle class who fell through the cracks. The Department of Community Affairs tops this list. Following quickly behind would be the Department of Banking and Insurance, and the Office of our Governor.

The Department of Community Affairs RREM grant was advertised as a promise for those in our income bracket, with homes having substantial damage as well as meeting other criteria, to help fill the gap between flood insurance and the moneys needed to rebuild our homes. As the application process was underway, the terms of the grant seemed to change. We received additional correspondence prior to the awarding of the money stating that only some people would receive funds, but those with the greatest need would be considered first. On July 8, the day grant recipients were to be notified, John and I received a letter stating that the grant money was no longer available and that we were indefinitely wait-listed in case more funds became available. This grant was our last hope. A more efficient way to administer this grant money would have been to divide the first round of grants evenly among the applicants, and when more became available, look at those who still needed more help. A random selection of applicants was not the way to handle this, as so many situations vary from family to family. More people could be on the way to being back in their homes, but most of us sit perplexed, having to make decisions we weren't prepared to make.

The Department of Insurance and Banking, while providing counselors at local FEMA offices set up following the Storm, has done little

to monitor the activities of the insurance companies doing business in this state. To date, we have paid our mortgage on time each month, as well as our taxes and insurance, on a property that continues to be uninhabitable. We are not alone. Our insurance company, Fidelity Insurers, has denied our appeal and countered engineers reports that have been provided by sending adjustors to say there is nothing wrong with our home. While this Department should certainly be concerned with the insurers, equally disturbing to us are the banks -- in our case CitiMortgage -- who continue to collect municipal taxes from us despite the fact that our Township has suspended tax collection on the local level until the homes which are vacant are able to be inhabited again. This is a crime.

The recent TV ad campaign depicting life at the shore as back to normal is highly disturbing. Life is not normal, and every night there are new stories on the news of the forgotten residents and townships that dot the New Jersey coastline. Yes, tourism is important to the economy of the state and the recovery of businesses. However, watching our own Governor on TV with his family pretending that all is well all over the shore makes us sad. Perhaps local business owners along the shore should be the stars of these ads, as opposed to our Governor who should hold accountable the agencies claiming to help the residents in their recovery. We reached out to the Governor's Office to stop by and take a look at our home when Mr. Obama was visiting Asbury Park in June. To date, there has been no reply to my letter from the Governor's Office. The Mayor of our Township has also stated that Mr. Christie has not yet paid a visit to Neptune. I guess because we are not Seaside Heights or Wildwood, we are not important.

Having been fighting our fight so long now, there is something else that needs to be said. New Jersey was given funds to provide case managers to help families -- to help them navigate the system. Where are those case managers? John and I made calls separately, and after numerous hours of being on hold by telephone, some very nice volunteers explained that because we were not high priority cases -- we had employment and a place to live -- we would be placed on a waiting list. We are educated people and could figure out how to maneuver through our circumstances. But what about the people who have language issues, the elderly, and others who struggle? Just as we were, many of our neighbors were also going hit or miss with the information that was being disseminated. We all could have used help. At the very least, a case worker per town should be assigned so that residents could have someone to ask for help. Funding for this is out there, but not being used appropriately. This could be a small ounce of hope for people who are on the verge of giving up.

We had been denied on appeal for any additional funds from our flood insurance and FEMA to rebuild. The amount we were given in flood insurance payout was not half of the estimated elevation and repair costs on our home, which exceeds \$220,000. To date, we have paid our mortgage of \$2,500 a month, and storage costs of \$300 a month, and can no longer justify these large expenses. We have placed our home on the market in the hopes of being able to satisfy our mortgage between our flood insurance settlement and sale of the property, without having to go through a foreclosure process due to the decreased property value versus what we owe on our current mortgage. Our home remains uninhabitable, and no further help is on the horizon.

We are exhausted, and frustrated, and feel let down mostly by our flood insurer, as well as the false hope provided by the agencies working for the State of New Jersey. We hope our story can turn the spotlight from the beaches and boardwalks to the people who are being ignored only a few blocks west of the Atlantic.

SENATOR SMITH: You're going to give us a copy of that?
(affirmative response)

ASSEMBLYWOMAN SPENCER: Thank you.

SENATOR SMITH: Thank you for coming today.

Staci, I'm serious about calling "Kean in Your Corner." This needs exposure.

MS. BERGER: I'm with you. The thing is that people are saying, "This stuff is on the news a lot." What we need is for-- We actually need you guys to call some of the Department heads in here and say, "We heard this story. Why is this happening? How can we help you fix it?" Because I agree with you. It would be great to have a bunch of investigative reporters helping folks navigate the system.

SENATOR SMITH: Right, right, right.

MS. BERGER: But this is a systemic problem, and it's the way that the State designed the action plan.

SENATOR SMITH: We'd be happy to send the letter. Give me the facts on both of the ladies. Chairwoman Spencer and I will jointly draft a letter saying, "What's going on?"

ASSEMBLYWOMAN SPENCER: Certainly.

SENATOR SMITH: "Why are these people being treated so badly?"

MS. BERGER: This is two stories. We could be here for a week.

ASSEMBLYWOMAN SPENCER: Certainly. In the paper today there is an article about how, in New Jersey, we lost close to 11,000 jobs. And we don't talk about where the jobs are -- have been lost.

MS. BERGER: Fifty of them were in Union Beach.

ASSEMBLYWOMAN SPENCER: In Union Beach, and so--

MS. DANNECKER: In one little town.

ASSEMBLYWOMAN SPENCER: One little town -- unemployment.

MS. DANNECKER: And her getting her grants through and getting back up and running is going to employ 50 people right in our very own town.

ASSEMBLYWOMAN SPENCER: Like the Senator said, get us that information. We will write a letter.

Thank you.

MS. BERGER: Great. Thank you all very much for your time and your attention.

MS. DANNECKER: Thank you for your time.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up, we have Kevin Walsh, from the Fair Share Housing Center.

SENATOR SMITH: And I think he's also with AC NAACP, the Atlantic City NAACP.

ASSEMBLYWOMAN SPENCER: The Atlantic City NAACP. Very good.

LINDA G. STEELE: Good morning.

ASSEMBLYWOMAN SPENCER: Good morning. Remember to give us your name, please. The amplification is with the bigger mike.

MS. STEELE: My name is Linda Steele. I'm the President of the Atlantic City NAACP. I'm a resident of Galloway, but I'm a homeowner here in Atlantic City. I have a duplex in Atlantic City.

Today I want to talk to you-- I wrote down my brief notes because I want to tell you-- The previous testimony was very nerve-wracking, and I could relate to it on a number of different levels.

The devastation from Hurricane Sandy is being felt by many families in Atlantic City. The media gave high visibility to many of the affluent shore communities, but little note to the devastation in Atlantic City. The Governor and President visited locations like Brigantine, Long Beach Island, Seaside Heights, but Atlantic City was hardly mentioned. Residential homeowners, as well as renters, have been displaced, and their return is still uncertain.

Atlantic City has a large senior citizen home base and an even higher rental population. We're an unusual city because we do have more rental units, more renters, than we have homeowners. Many senior citizens who have spent their lives buying homes and living here in Atlantic City -- who are mortgage-free -- had to vacate their storm-damaged homes because of the lack of insurance, possibly, and the complicated funding process.

Landlords did not have the necessary insurance coverage and also lacked the resources to do the necessary renovations. These impacted properties will certainly have a negative effect or impact on the City's tax collection. And as casinos, with their high-powered lawyers, continue to

win tax appeals, the burden of taxes falls to the homeowner. And that will surely impact Atlantic City even further.

In the early casino era, many of the low-income housing units were displaced. Pitney Village was 33 units. It was displaced to make room for the Outlet shops. Shore Terrace -- we referred to as six bedrooms -- they had up to six bedrooms -- those properties were raised; 140 were raised. And now the elephant for the Taj Mahal sits there. Shore Terrace, I believe, had 72 units. That was raised. And Hope VI will be built on that property. But it has been more than 20 years that that property laid vacant.

These things I share with you because the people who have been impacted by Sandy have no place to go. Many of our neighboring communities -- Ventnor, Margate, Long Port, Linwood -- they did not have low-income housing. They did not have a lot of moderate housing units. And so as these -- over 550 units have been raised in Atlantic City, and few of them have been replaced.

And so now that we have been impacted by Sandy, there are few places for people to go. And many people are still living in mold-infested properties because they are afraid to report their landlords for fear that the City will determine them to be uninhabitable housing, and they will have to move to places as far as Camden, Millville, Vineland, and other places. Because in the early years, when we were displacing people, they were going to places like Galloway, Absecon, and other neighboring communities, and many of them have now instituted moratoriums on multiple housing. And so they can't be displaced to those areas that are

familiar to them. They would have to leave the Atlantic City area and be commuters, and we're not a commuter community. We're not used to that.

Hurricane Sandy has severely impacted the housing market for low- and middle-income, and particularly minorities. Anyone can ride through the city and see the visible tarps still on roofs that have not been addressed.

Presently the Atlantic City NAACP is supporting Southeast Inlet residents who are being displaced to make room for the improvements around Revel. And I don't think there is anybody in Atlantic City who would disagree with improving the landscape of this city, but there has to be balance. And at this point, you have low-rise (*sic*) people who are being displaced with no place to go. And so the devastation of Sandy has just exacerbated an already very, very low and minimal housing market.

Atlantic City-- I was born and raised here. I worked 40 years in Atlantic City. I am a resident of Galloway, but Atlantic City is in my blood and in my heart. And what I say to you is that the complications of the process for many of the senior citizens who we tried to work with and deal with is just overwhelming. When people are deemed not to be eligible, few of them have the wherewithal to continue the process. The ladies here before you just previous are young people compared to many of the seniors who are going through this process, who probably are widowed or widowers, and they don't have the wherewithal to continue the process. There is no one to really help them through it. And so this whole scenario is going to play a devastating part on Atlantic City as a whole, and it may very well be the demise of Atlantic City.

When we took on gaming, we thought gaming would be a panacea; it would be helpful. But somewhere along the line we lost our focus. The CRDA was so wonderful in helping with housing because that was a focus of theirs initially. But now that's not a focus any longer. We have to figure out what the balance is, because Atlantic City is too small to fail. If we could come together -- legislators, City, and State -- and understand that there is room at the table for everybody-- And while gaming is a wonderful thing for an industry, you have to balance it.

Housing is a priority. And the poor and unfortunate are always going to be among us. But if we do what is right, and we do what is just humane, then we should be able to make this partnership work in a better way. Because it is not working well for the people in Atlantic City, and actually for the state. Because it's always been the focus to-- We now have the tourism district which separates us even further. These things are not beneficial all the time for residents, and so the residents need to have your attention, they need to have your support. Because it's the people who vote for you, not the corporations. Those people live someplace else, they come from someplace else, and they don't have the residents at heart.

So the kids are being affected because they are displaced from their homes. We're bussing them into Atlantic City, and we don't know when they're coming back. These things impact everything. Funding for schools, the tax base-- We're going to have a lot of abandoned properties. That's going to send the rate up even further. People will not be able to live here because we don't -- we have not supported and done the right thing. We have been concerned about other things. And I'm asking you to listen to these people today -- listen to us and understand that it's not us against

them, or we're against you, or you're against us. But we have to start communicating better and understanding that what affects one, affects everybody. And if this ship sinks, we're all going down in it together. It's not going to be-- Some people may be able to go out of town and go back to some other place they lived before, but a lot of us are not going to be able to do that. We're stuck here. This is where we're from. This is where we live. This is our home. This is where we want to be.

And so we ask you to look at your regs and look at these guidelines and things, and streamline things so that the everyday person can understand them and don't need an attorney to help interpret everything.

And so I really thank you for your time, and I hope that you'll take the testimony that you hear today to heart, because it affects people in such a way.

On a personal note, I am a homeowner in Atlantic City. I have a duplex. And I'm stuck -- I feel like a hostage -- between my insurance company and my mortgage company. I started out this process. I didn't even want to apply for anything because I've been blessed. And I thought I had resources. I thought that there was somebody else who needed something more than I did, because I have a home in Galloway. But at the end of the day, I'm trying to do the right thing. I'm trying to restore the property so that my tenant can get back in. Everything was stripped on the first floor. And in the midst of the process, my mortgage got sold, and now my money is hung up with the second mortgage company. And they want to dole it out to you. The contractors have done their part. I made a contract with somebody because I didn't know what the insurance companies were going to do. I didn't know they were going to piddle it out

to me. If you come and see -- you send an appraiser, you come and see -- we have the same interest at the end of the day. You want the property fixed up; because I have a mortgage on it, I want it fixed up so that I can get a tenant in it. And I'm doing my part. But I'm struggling with this insurance company, trying to figure out, "What else do you need? You sent your assessors down there. They looked at the property. They saw what it started with -- the renovations that were -- the stripping and the overhaul -- and now it's just about at the end." And if I had my druthers-- I can't even begin to tell you -- I consider myself a Christian, but I'm telling you, some days it doesn't feel like that, because these people will push you to the brink. (laughter)

I want to tell you, it's not easy. I'm frustrated, and I don't even live there. I can't even imagine how these people feel who are out of their houses, who can't get any relief, who can't get anybody to understand. Just take what they're saying to heart because it's serious. It changes your whole life.

Thank you.

I want to introduce Mr. Young. He is one of the NAACP members, and he has his own story.

S T E V E N L. Y O U N G: Thank you.

I'm Steve Young, and I live in Venice Park, in Atlantic City. And I am a homeowner here and pay a lot of taxes.

One thing I want to say is that doing this whole process -- this process is very, very hard. And it's almost inhumane the way you're treated during this whole process.

Being a victim of Sandy, I did have to evacuate and leave my home. And during that process-- You know, you bring the National Guard to your house. They came rolling down the street with trucks to evacuate. And when it's all done -- when the water is settled, there is no one knocking on your door for an assessment of how you're doing, how you're feeling. Should you be in a house with mold? (indiscernible) feel sick? These types of things are very serious. So that, I think, should have been the first thing.

When you apply for funding, isn't there some type of assessment, or are you just going by what you think the numbers are? Is there actually a door-to-door assessment of how people feel and what they're going through? I don't think so. I didn't have it; we didn't have it.

Atlantic City was hit very hard. I mean, we hear about Hurricane Katrina -- New Orleans; you hear about Brigantine and other cities. But Atlantic City -- you may have seen in those other cities -- you saw a house be flat and blown away through the water. But we have what you call *internal bleeding* of our housing stock, where it's half-empty from the water and the cut-outs, and the mold that's infecting us-- I mean, if we don't do something about this epidemic of mold right now, and the people don't know -- don't have a place to go about it -- you may have to quarantine some areas because it's that serious, especially if people have children. They're too afraid to report certain things. So this is a very serious thing that we need to really look into.

Taxes -- moratorium. Atlantic City -- we didn't have a moratorium on our taxes, because most people didn't think we were that seriously hit. But when that storm was talked about all over the world for all those days, it said it was coming to Atlantic City. It didn't say these

other cities. It basically targeted Atlantic City. Then when it comes to the Governor and the President coming, they didn't come to Atlantic City. We should not be affected as homeowners and taxpayers because of an issue that's dealing with the State or the City. Because we, as property owners, are paying our fair share of taxes. And Atlantic City is very unique because we have casinos -- your economic engine towards this entire state. So we're in a very bad situation. We were hit by the economy. Then after the economy, we were hit with re-vals. So there was reassessment of properties, which was very high at the time. Then after that we were hit with Hurricane Sandy. So we're in a more serious situation than most cities if you actually talk to the people and open up your minds to see what's going on, and get down to the level where the people are being affected. I mean, let's not just stay in the State House and these good jobs that you have. Get down and feel what the people are going through, what the children are going through. These meetings should be held in the communities where the people who are actually hurt -- whether they're renters or homeowners -- so you can educate them on what to do next.

I went through tons and tons with the insurance company, all types of situations with FEMA, mortgage companies-- All that you just heard we went through. And if you don't have-- You have to actually have your own office. I don't know how seniors even go through this. You have to actually have your own office with faxes, e-mails, you need this paperwork -- getting it -- you have to get it from the mortgage company, you have to receive it from your insurance company. Then you have to send it back and forth. Then the contractors-- It's a very serious-- And it's

almost like a lesson. We actually have to write a book on what you have to go through during this storm.

And the long-term recovery -- it's going to be a long, long time before people in Atlantic City-- Like Ms. Steele spoke about, the taxes are very high. We didn't have a break in our taxes. When you didn't pay your taxes in June -- in November they're coming after you. There will be a ton of foreclosures. And then there are penalties after that. And we were affected by something that was against our will -- a catastrophe. And here we are -- we're being fined, we're being overtaxed, and most people aren't even living in their houses. So we have a very serious--

And you can't see mold. I actually had to get a certified mold inspector -- almost 200 miles away -- to come to my home and tell FEMA, the insurance company, and everybody else that I have to leave my home. Why? When you have all these meetings, you have all these things set up; but when it comes to getting the help, it's not there. So there needs to be a change in these programs.

And then you had the Governor raising money, you had Mike Vick come here with a check and say, "We're giving Atlantic City money for Sandy relief." Where is the money? With the money that these people said they were giving -- and sometimes they give it to the Red Cross and other places. But where is the money -- when you don't have to go through all this red tape? I mean, if somebody applies for something, and you find them -- they're ineligible, then you let them know. But right now it's hard to rebuild a house if you don't have the money. And who has the gap financing after your insurance has given you a few dollars to fix it up? Where is the gap financing coming from? You're not eligible because your

insurance gave you the money? And like she said, we went through it with all of these adjusters coming from the mortgage company, the insurance company, FEMA, back and forth, in and out of your house. These are very, very serious things that we need to work out. And also the deadlines for applying for some of these grants--

And I have a serious problem with Washington, too. For them to delay giving any dollar amount to the State of New Jersey-- What was that all about? We didn't fight enough. The Governor (indiscernible) his part in the fight, but we didn't fight enough -- you as legislators, as well as us as a community. Because that delay gave the mold time to grow up into someone's system and their bodies. And that should have never happened. So those are serious things we need to work on as a community.

Again, all these abandoned properties -- you're going to have a ton of them -- these foreclosures. You won't be able to sell them for-- People want to leave their homes right now, but they can't sell them. You can't sell it because it's half empty. You can't fix it up because you don't have the money. You can't pay the taxes because they're too high. We have hundreds and hundreds of people in that situation right here in Atlantic City. You don't hear too much about Atlantic City, because people want to hear about the casinos and say everything is fine. But we have people who live here. We have children who go to school here. And we are here, and there is nowhere else to go for some of the people who have been here all of their lives. So I just want you to feel what we're going through and see if you can come up with some of the solutions.

Again, I don't know if you have a State task force, that's combining your efforts with having some type of case manager, to oversee

what's going on internally with the residents and the taxpayers here. But I think that's one way we need to go -- so somebody can listen and bring it back to you if you don't have the time to go out there yourself.

I just found out after all this time that the County has what you call *case management services*. So now there is one-stop shopping where you can go where they can assist you -- or where the needs are. I mean, why did it take so long for us to find out? We have to do a better job in communication. And the sad part about it is, you have the resources to do it. All these billions of dollars coming from rebuilding bridges and rebuilding the sand-- What about the people's lives and those resources of case management -- one-on-one -- to find out what the needs are for the people who live here and for them to stay here?

Again, there are solutions to it. But you have to hear it from the grassroots all the way up. And we don't often get the opportunity for you guys to hear, as well as Washington. Because no one can say it like the people who are going through it.

I thank you for my time.

ASSEMBLYWOMAN SPENCER: Thank you.

K E V I N D. W A L S H: Thank you, Chairman, Chairwoman, members of the Committee.

My name is Kevin Walsh. I'm with Fair Share Housing Center. We've been working on the Sandy recovery efforts to make sure they're fair for the past many months soon after the storm hit, and even before the HUD notice was put out for the funding. And I think the issues that Ms. Steele and Mr. Young had touched on in Atlantic City are emblematic of

issues going on statewide in ways that are especially harmful to lower-income communities.

Soon after the Storm hit and the Governor was going around speaking about his priorities for recovery from the Storm, he again, and again, and again referred to helping homeowners and renters -- I'm sorry, helping homeowners and small businesses. And as an advocate for people who very often need to rent, I found that very troubling because a large percentage of the population consists of renters. And I thought it was unfair that homeowners would get a step-up there and get priority when there was no indication that they were disproportionately affected.

But that has continued throughout. It continued with the way in which the Administration proposed to use the moneys. The talking points from early on actually were reflective of the Administration's policies. There was a proposal from the State for how it was going to allocate money. And because HUD found that the Administration underprojected the needs of renters and overprojected the needs of homeowners, there was an effort to-- HUD demanded that the State shift \$75 million from the homeowner effort -- which, don't get me wrong, it's needed everywhere, absolutely. But the needs of lower-income households were especially impacted in this storm, and it's harder for lower-income folks to recover. And so that reflection of the Administration's policies was troubling.

It's one, though, that's not just historical. It's something that is going to play out again as the Federal government sends more money. And what's really important is that the Legislature, I think, demand that the Administration, when it puts together its funding priorities post-Sandy,

accurately consider the needs of the folks who are impacted, both homeowners and renters, and attempt to meet both needs.

Another issue that I want to briefly touch on is the problem of transparency. As an advocate who has been trying to get information, we already had to file a couple of lawsuits to get access to information that the State would not provide to us in a timely manner. The State has reserved about \$70 million for purposes of administration, but seemingly has put nothing toward ensuring there is transparency around the information that is available; has done seemingly nothing to increase the capacity for the State to respond to these needs. So when we request simple information-- We recently requested -- because of something I'll touch on -- information about how the RREM program was being managed. What are the guidelines that are used? What are the people who are making those decisions -- what instructions are they given? And what are the form letters available to them to send out? Because it's evident they're using form letters. The response we got is that that simple information -- which truthfully should be available on a website and is not something that somebody should need to go and file a public records request for when the Governor has promised transparency -- we were told it would take us at least 30 days to get that information. Simple stuff that people need in order to understand how \$1.8 billion is being spent could not be provided for 30 days.

The transparency comes out -- the lack of transparency comes out also in the way decisions are made. And we recently received a letter from somebody who told us that their application for RREM funding was denied. And the reasons they were given was that there was -- they did not

sustain, as a result of Superstorm Sandy, a fully verified loss of at least \$8,000 or have more than 1 foot of water on the first floor “among other possible disqualifying factors.” It goes on to say, “Please be advised that proper resolution of this ineligibility determination will lead to eligibility only if there are no other reasons to support ineligibility.” So what folks who are being denied these programs are told is, “We denied you. And it’s probably for one of these reasons. But if it’s not one of those reasons, it’s another reason. Now, you can come in and appeal those reasons, and you’re welcome to do so. But if you appeal those reasons, and we haven’t told you what the reasons were that you were actually denied, we might still deny you without you ever having a chance to address what the reasons were that you were denied.”

Now, there’s merit in getting money out of the door quickly, no doubt. But when people are being treated like this, when there isn’t information available beforehand about how these programs are going to be administered -- the guidelines are nowhere available about how these decisions are being made -- and then to give somebody the opportunity to appeal their decision without telling them what the reason was that they were denied, it’s like going into court and saying to the judge, “Judge, I was injured.” And the judge says back to you -- and the jury says, “No, you lose,” and they don’t ever tell you why. How could you possibly appeal something like that? And these sorts of decisions are going on again and again in-- I’ve just touched on two examples of the lack of transparency and the confusion, but there are more.

What’s really scary is that if these problems aren’t corrected, we’re going to repeat the mistakes again when the next phase of funding

comes down. And the lack of transparency and the general confusion you're seeing right now will not be corrected if there is not a concerted effort to do it. And we could get the HUD notice about the next phase of funding any day now. It could literally come out tomorrow morning at 9:00 a.m., it could come out a week from now, it could come out two weeks from now. And with the lack of transparency that's there-- We can comment on it, but good luck finding a way to comment in an informed way that considers the data that they have. Because when the notice comes out, and you have some questions, and you call up the Department of Community Affairs and say, "I'd like to figure out how you're going to respond to this based on your need assessment for renters or based on your concerns about people with special needs and what damage they've suffered--" If you call up and say, "What has happened to public housing, and what's the information you're basing your decisions on because I'd like to comment on the plan you just put out," they're going to tell you it's going to take 30 days. And the comments -- the attempt to influence it is due in seven calendar days, not even business days. And so it's really important that this Committee try to solve some of these issues, put pressure on it, shine light on it before the next HUD notice comes out. The Administration, if it chose to, could take two weeks. It could have a hearing. HUD doesn't prohibit that. HUD's goal is to do it as quickly as the State is comfortable doing it. But this Committee and others could demand that the Administration conduct itself in a way that actually acknowledges that we're a democracy rather than these things just happening in a way that feels like it's just coming down from on high with no ability for the populous to inform itself, and certainly no real consideration given to the

decisions that are being made in a way that considers what the public wants.

The only changes that were made to the plan were ones that HUD demanded. So there is a way in which-- There were some other minor things. The only meaningful things that were done were things that HUD demanded. The whole seven-day comment period was symbolic. There was zero consideration, from what we can tell, given to the actual comments that people received.

Where we're ultimately headed on this, I think, is that there is-- If something doesn't change, there is a real possibility of an inequitable recovery that leaves a lot of folks behind but gives people making up to \$200,000 up to \$150,000 to fix their homes. There is a real possibility that we're headed to a place where we have a recovery that let's a lot of people -- that gives money for a lot of infrastructure to towns but doesn't say to those towns, "What are you doing with housing needs? We've got tons of -- thousands and thousands -- tens of thousands of displaced people. Have you considered allowing multi-family housing rather than just mansions in your town?" None of that is being asked. And we have a recovery that is helping people in wealthier shore towns put sand back on the beach but not increasing public access to those beaches in any way.

We have a real danger in a year -- two years, as we look back on this -- that it will be a recovery that tilts more toward elitism and more toward exclusion than it does toward fairness, and we need to correct that as soon as we can.

Thank you.

ASSEMBLYWOMAN SCHEPISI: Mr. Chairman, I do have a question.

Kevin, we've heard a lot today about rental housing and everything else. How much money do you want? Because based upon the numbers that I have-- And, yes, rental housing is very important in the state. But proportionately, between the number of homeowners and renters, what do you think that number is for -- the number-- Just by a percentage, how many people who were affected were renters, how many were homeowners, based upon your information?

MR. WALSH: I don't have that. I probably could get you that in five minutes from my blog. I don't have it at my fingertips. I will tell you though that the methodology that the Administration used -- by HUD's own admission initially -- was off. But the data answer, the specific numbers, I don't have that on my fingertips.

ASSEMBLYWOMAN SCHEPISI: And the reason it's important is, I think, a perspective needs to be put forth there. The numbers that I have for the amount of money being allocated-- Rental housing is being allocated at almost half of what the homeowner housing is. So for homeowners, there is an allocation of \$780,000 (*sic*). For rental housing--

MR. WALSH: It's \$780 million.

ASSEMBLYWOMAN SCHEPISI: I mean \$780 million. For rental housing it's \$379 million. Those are real significant numbers. I mean, we're not talking about \$25 million being allocated for rental housing. We're talking about almost half-a-billion dollars.

MR. WALSH: It is.

ASSEMBLYWOMAN SCHEPISI: So how much more do you need, do you want? How is this so horrible? How is it so inequitable?

MR. WALSH: It's probably still about \$150 million to \$200 million off for renters. And it's one thing to emphasize that early on to attempt to meet some needs, but it should be corrected later on. Because just look at Atlantic City. As Ms. Steele said, it's disproportionately renters, it's disproportionately lower-income compared to many of the other communities that were impacted. And I will tell you that from the clergy I'm talking to, from the caseworkers who are on the street, from the people who are attempting to meet their needs, there is a real sense of looking around and wondering who is coming to help. And the reason is, I think, because there has been an emphasis on the needs of some communities over others -- is the perception. And that's hard to demonstrate right now. I think as more data becomes available, we'll have a sense of where funds are being allocated. But there is also, I think, a real perception that there are -- that the needs -- and it's an accurate one -- that the needs of renters have been placed second. And that is true, I think, by virtue of the fact that the programs just haven't been rolled out as quickly as the other programs were. And there are problems on both ends. I don't want to emphasize that there -- that the funding for homeowners should be reduced. We need more money all around in some ways. But we also have to get the balance right. And we also have to recognize that low-income folks who are -- who have less of an ability to jump back are disproportionately renters.

ASSEMBLYWOMAN SCHEPISI: I mean, I ask this question because as an attorney, as well as being in the Assembly, I've actually worked with a lot of the affordable housing groups in northern New Jersey

who have taken advantage of these programs, and have applied for grants, and are building a lot of new, affordable housing based upon these moneys that are coming in. So to say that programs haven't been rolled out, or it's not accessible, or things aren't occurring I don't think is wholly accurate. Because I think you're going to see a lot more building than you've seen in years for those affordable types of programs because of what has been allocated because of Sandy.

MR. WALSH: I think, Assemblywoman, that while it's correct that some of the rental programs have rolled out and decisions have recently been made, there is-- The reality is that when those housing resources places were opened up-- And by the way, the contract was just made available online four months -- for the \$60 million effort to manage that -- back to the transparency point. But when folks walked into those places, if they were renters they didn't have any information for them. If they were homeowners, they did. And that's a problem, because there is a way in which-- A house provides stability to a family. And the sense that somebody is helping or may help someday is the sort of thing that helps somebody feel that they can keep fighting. And one of the problems, I think, is that what is being experienced is there is a vision out there that there is help on the way. And for a lot of folks they're starting to feel like that's not true. And I think that is true both for homeowners -- especially lower-income homeowners who don't have the resources to borrow from family members or others necessarily. And I think it's increasingly -- it's even more true for renters. As the housing market tightens up--

You know, one of the realities of New Jersey is that as a home rule state, towns almost always get to decide what happens, and towns can

almost always make unreasonable decisions about where housing stock should go and shouldn't go. So it's a very conservative notion that the market should lead to the supply and that we need to find balance in those things. Our zoning laws absolutely prevent that. And there is a greater need for housing. One of the reasons why housing prices in New Jersey are so high is because municipalities can block development from occurring. It's not that there is demand. It's that the demand is being blocked from being met by zoning laws. And take Sandy into that -- step into a place where we lose tens of thousands of units, and people's lives are destabilized, and they're sent out with vouchers to go find a rental unit-- They can't find them. And the reason is because our supply is too low. Even right now-- The Administration, right now, under the policies that it's put out there, they'll give Brick \$100 million to fix its infrastructure without ever asking what they're going to do for lower-income housing. They just don't link the two, and that's wrong. If this Administration is going to invest in a municipality's infrastructure -- whether it be beach or anything else -- it should simultaneously say to that municipality, "What are you going to do for us?"

ASSEMBLYWOMAN SCHEPISI: Isn't Brick compliant though?

MR. WALSH: No.

ASSEMBLYWOMAN SCHEPISI: They weren't certified? They haven't been compliant?

MR. WALSH: Not anytime recently. And it's not just Brick. I'm using Brick, but you can take it to any of the other places that are impacted where there is going to be development. But the Administration

has an opposition to, in any way, challenging home rule, except when it comes to taking municipalities' Affordable Housing Trust Funds. Then it's willing to do that. But it otherwise is unwilling to do anything that will tell a municipality it has to confront authority issues of who can live where in a state that, right now, is facing an absolute crisis in terms of housing that's available.

SENATOR SMITH: We appreciate your comments.

MS. STEELE: Can I just ask a question?

SENATOR SMITH: You know, there are just so many people who want to testify.

MS. STEELE: That's okay. I understand. Thank you so much.

SENATOR SMITH: Tim Dillingham, American Littoral Society.

T I M D I L L I N G H A M: Mr. Chairman, Madam Chair, members of the Committee, thank you very much for the opportunity. Thank you for coming down and holding this hearing.

I'm Tim Dillingham, Executive Director of the American Littoral Society. We are a coastal conservation organization based in the Highlands. We have offices in Cumberland County as well as in Trenton. We've done a lot of work on the storm. We were displaced ourselves. We lost our office in New York City, which is in the Rockaways. Many of my staff members and many of my members of the organization itself were also displaced by the storm.

I commend you all for coming down and having this hearing to assess the progress that we're making in responding to the storm both in

terms of how far we've come and about the quality and the character of that response. Mr. Chairman, your comment about the sort of mid-term assessment-- A mid-point assessment, I think, is very appropriate.

I've been in a lot of the communities since the storm and listened to the stories like the ones we all heard this morning. And I think as an environmentalist and as somebody who thinks about coastal land use, coastal management-- Our overall goal in the work that we're doing and things we advocate for is to not have this happen again, to not put people into these situations because it's untenable, it's indefensible. And as we see the pain and the struggles these folks go through, and the impacts on their lives, the impacts on their businesses, the impacts on our communities, we should be taking steps to the degree that we can, in an urbanized state like New Jersey, to avoid a recurrence of the damage we saw from the storm.

We will not avoid hurricanes. They are a part of life. They are a part of life along the coastline. And what we should be doing is working not to just rebuild quickly, but to rebuild responsibly so that we're not putting our businesses, we're not putting our communities back in harm's way.

We not only need to get residents back on their feet, but also make sure they're not going to get knocked down again when the next storm hits. And I think part of the answer to that lies in coastal land use, and environmental protection, and in the improvements that we're making and the money that we're investing in the State, and in the shore, and in the areas that have been affected by the storm. The billions of dollars that are going to get spent offer a window of opportunity we can't afford to squander. It's an opportunity to make the community safer, it's an

opportunity to make them more resilient in the face of inevitable storms in the future, and it's an opportunity to restore the quality of the environment.

Sandy has consumed our state, appropriately. It has sucked all the air out of most of the conversations that happen. But we've forgotten in many ways -- at least along the coastline, but also in other communities -- that from an environmental perspective, we had problems which preceded the storm. Barnegat Bay, which was the focus of these committees' work last year -- the quality of water, solid waste, the quality of our air, contaminated sites in our communities, exposure of kids and folks to toxics -- those were all issues that preceded this. We have an opportunity, as we have this unprecedented amount of Federal funding available to us, that we can move through the drunken phase that Commissioner Mauriello spoke to, to fix some of those problems if we do it consciously.

So I think it's valuable to judge our progress to date, both about where we want to go, where we've been, and how we're doing things now in the recovery process itself -- but where we want to go in the future. And I think an important part of that is to ensure that the response and the outcomes are equitable, that the recovery dollars and the strategies that we pursue benefit not just the folks in the communities that were along the shore itself, or even more narrowly the folks who live right on the beach itself, but the communities as a whole in the state. We've heard the advocates for the housing interests and other folks throughout the state talk about their interest to public access. You all have heard me talk many times in front of you about the need for more public access to the state. Those

are questions of equity that we need to address as we go forward in investing all this money.

I will associate myself with Mark Mauriello's comments. I thought they were on target, I thought they went to very critical issues that you all are facing. I would hope that given his experience both as a geologist and as someone who worked for years in the trenches of making decisions about coastal management, as well as his tenure as the Commissioner, we give much weight to his advice.

I do think that as we go forward, I would just offer you some thoughts about how we might measure that progress. We need to undertake and be guided by a very honest assessment about the rules of the game, the land use laws, the State's Coastal Management policies which made our communities vulnerable.

The storm was the storm. The storm was unique. It was bigger than anything we've seen. But this was a storm that we knew was coming and that we knew was going to have severe consequences. The State of New Jersey has reams of documents, conclusions by its Coastal Management Program, reports by the DEP which foretell the amount of damage that we were going to incur because of the fact that we had not developed smartly, intelligently along the coast. And we haven't seen -- I haven't seen, in this discussion about the response and the strategies we should be pursuing, an assessment that says that CAFRA has loopholes in it; that it allows, in the way that the DEP implements it -- they grant exceptions for the development and building of houses in the dune systems, even though we acknowledge that dunes were very important in protecting many communities along the shore.

So we haven't gone back and, as a starting point in judging where we need to go, assessed those rules honestly and factor them in with the changes that we should be seeking. Those rules, if unchanged, will take us back again to the same place in the future. We will recreate the same vulnerabilities that we suffered in the storm with the consequences that you heard -- the very real impacts on people's lives that you heard about.

We have to be informed about accepting information on changing and reasonably foreseeable conditions. Sea level rise-- We know that, despite the very intense debate about the advisory-based flood elevations and the quality or accuracy of the mapping, FEMA, by its own admission, does not account for sea level rising -- are backward looking maps influenced by modeling, but not trying to project future conditions. Those are things we clearly need to do.

We need to set out a very specific goal of minimizing development that's in high-hazard areas right now. We should be trying to find ways to reduce our vulnerability by both preventing that development in the future, but also dealing with the development that is now currently at risk. That needs to be informed by an assessment of water vulnerability -- both physical and from a community and social perspective. Those tools are available. We haven't used them yet, nor have they been factored into spending decisions and other decisions that the State is pursuing.

And then lastly, I think we need to really make sure that we minimize the chance of repetitive damage by increasing our efforts to acquire open space along the coast, along the beach front, as well as to make sure that those areas that we both acquire and that we invest in -- particularly through the shore protection projects -- are made available to

the public, which they are not now. We know that there are significant stretches of the state which are very public-access limited -- whether that's because of parking, because of overzealous enforcement of parking restrictions, by ordinances which don't allow you to bring lunches to the beach and then provide no restaurants nearby -- all intended to channel folks, I think, to what I would call the *boardwalk towns*, which is appropriate -- they're valuable. I have a summer place in Belmar. That's where we spend -- I raised my kids on that beach. But we should have the opportunity and the right to go where we want to. And we should not be spending billions of dollars to negate that and to cut that -- undercut that right.

Mr. Chairman, I know you're pressed for time. I will say that I don't think we have undertaken the fair assessment. Even though the information has been very, very valuable to us, I have not seen any initiative to go back and look at the rules that guide coastal development. In May of this year, the DEP did propose an emergency rule to the State's rules of Coastal Management. From our perspective, those emergency rules didn't fix any of the long-standing problems related to reducing vulnerability, but rather, in some cases, exacerbated it. The rules -- and the majority were aimed at reducing State regulatory oversight in the development and rebuilding along the coastline, and in the review of reconstruction activities. I think in the end they're going to allow an increase in development in vulnerable places. They're allowing development of structures in businesses like marinas that were destroyed, to be built closer to the edge of the water. And as Mark Mauriello commented, they're allowing beach actions and manipulations -- that I

think, rather than building on the natural (indiscernible) and natural protective value that beaches will provide, that dunes provide, are going to reduce that. And these are all initiatives that were in the mix, so to speak, long before the storm. So rather than responding to the issues that were exposed by the storm, the DEP, on an emergency basis, has put forth a set of rules that would undermine our efforts to move toward better resiliency, more protection for our communities.

Clearly we understand -- I think we're all very aware about the debate about sea level rise, about the rejection of sea level rise, climate change, it's influence on how we ought to be making policy. The fact that Dr. Farrell's tide gauge data that he put up today was taken in Atlantic City-- We clearly know, from a scientific perspective -- and we have some of the world's leading scientists available to us in New Jersey -- that sea level is rising, and it's going to have consequences for how we develop, and how we protect the communities, and how we protect those stories from being repeated.

In terms of the way that the money -- particularly the CDBG money -- has been allocated, whether or not it's been allocated in a way that helps us minimize hazardous development-- I would say it hasn't. The plan that was developed provides and emphasizes programs, tools, and funding for reconstruction, rebuilding, and redevelopment, which is appropriate in certain places in our coastal communities. But it doesn't assess vulnerability or the long-term costs or benefits of reconstruction, particularly dealing with high-hazard areas.

Again, we have tools available to us. Rutgers and the Jacques Cousteau National Estuarine Research Reserve staff down in Tuckerton,

and the State's Coastal Management Program have developed very innovative, very user-friendly tools through a program called Getting to Resilience. And it was a mapping effort to help local municipalities understand where they were at risk. That program has not been adequately funded. The staff at DEP have found \$125,000 to try to get out to certain communities to get them to use this data, to use this program -- \$125,000 out of hundreds of millions of dollars they're being allocated. They're simply not looking to that question. And I think that's a conscious policy decision to not do that, in part driven by the deference to the municipalities and the conflicts they find themselves in internally about the need to replace the ratable base that was destroyed by the Storm and the need to protect those citizens. So that's an issue about a tool that could be provided very easily. It's on the shelf, as well as outreach capacity to get into the communities to help them work with that tool.

I would hope that we would look to promoting what I would call *nature-based solutions* to risk reduction. In a report which was just released at the beginning of this week, the Army Corps of Engineers, of all people, have come to understand that rebuilding salt marshes, rebuilding oyster reefs, rebuilding natural dune systems that are sustainable should be part of the mix -- that those natural features can support risk reduction and provide other ecosystem services that ultimately contribute to increased coastal resilience. Again, contrary to those conclusions and those findings, New Jersey seems to be on the path of one-size-fits-all -- reestablishing the beach nourishment projects backed by elevated structures. Both of those are valid strategies and have their place, but they're not the end all and be all. And we don't seem to even have a process that allows us to consider

where those might be -- to use the term -- *built upon, expanded upon, utilized* -- where we should be trying to assess vulnerability and make decisions about whether or not those are the right places to rebuild.

And again -- and my last point would be that the buy-out program that Governor Christie has initiated, I think, is a good strategy. The communities that they're working in, in Sayreville and other places, are communities in need. They're the right types of places. The stated goals of the program -- to reduce the risk of future catastrophic flood damage and provide homeowners an option to sell homes in flood-prone areas -- are the right ones. The program needs to be much bigger. And as (indiscernible) testified to earlier, it also needs to be focusing on oceanfront properties where we see a lot of damage and where we can track where there has been repetitive damage. There are simply places that are indefensible. As sea level rises, the barriers are getting narrower. There is no more sand in the system. It's going to be an interesting question, as we go forward, as to how much money will continue to come from the Federal government to help the municipalities shoulder the burden of putting more sand on the beach time and time again; which is a very, very expensive proposition and, at best, a temporary safeguard.

And then lastly, I would just go back to, again, the idea that as we are posed to spend hundreds of millions of dollars of public money on renourishing the beaches, we should make sure that they are accessible to the public.

SENATOR SMITH: Public access.

MR. DILLINGHAM: Yes, sir.

SENATOR SMITH: Understood.

Thank you.

Listen, we're-- You know what? Everybody has been so wonderful to come out to this meeting. Assemblywoman Spencer and I have agreed that we're going to do this again in Trenton.

We said we would cut it off at 1:45. We're going to run a little longer because you took the time and trouble to come out today, and we want to make sure we hear from you. But we're going to ask you to summarize your points. It's got to be -- you have to do it in a minute. If you have written testimony, and you give it to us, it's going to become part of the public record. And then we are going to have a follow-up meeting in September or October, because-- And I know everybody has a lot they want to say -- and we've heard some horror stories, but some very significant information -- but we have many people who still want to testify. So if you could do it in one minute -- give us your big point. I'm going to call you up -- one-minute summary. And if you have anything you want us to include in the public record, do it.

This is a real test to see if you can gather your thoughts and do it in 60 seconds.

Robert Campbell, Mayor of Downel Township, Cumberland County. Are you here, Mayor? (no response) The Mayor probably had to leave.

Mayor Nick Russo, of Longport, New Jersey.

Mayor, this is a hard one. I've been a Mayor. I've never done anything in 60 seconds.

M A Y O R N I C H O L A S R U S S O: Since I've been in office, I've always remembered that Lincoln's Gettysburg Address was two minutes,

seven seconds. I never outdid Lincoln, so you don't have to worry about that. (laughter)

SENATOR SMITH: All right. You're 15 seconds into your minute.

MAYOR RUSSO: Just a couple of comments about what I heard today. Number one: We are at elevation 12 in Longport for any new construction. And as far as I know, we had no damage to new homes that were elevation 12. So that may be a barometer to look at.

But our problem is, we never had shorefront protection. We never had a dune. There is a small dune only on four blocks. And I saw personally, as a firefighter -- I stayed during the storm -- these dunes work. They did what they're supposed to do. As Dr. Farrell indicated, and others have indicated, there was no sand displaced from the beach on those four blocks, where in other parts of the city it was a tremendous problem.

When we say about red tape -- this was a great example of where there was no red tape -- where DEP allowed sand that was displaced from the ocean, from the beach onto the streets, to be returned in a timely fashion. So that was government working properly.

My point is this: I spoke with Commissioner Bob Martin maybe 9 or 10 months ago. He indicated that along New Jersey's shoreline, there are approximately 2,000 easements that need to be acquired. Here in Longport, we have less than 10. However, we're running into a problem. We're getting tremendous direction from the DEP. They're giving us forms to send to the homeowners. They're going through -- helping our solicitor go through the contact with these homeowners. The problem, sir, is that we

are not getting the positive respons is that we want, or the responses, "I don't want--"

SENATOR SMITH: Right.

MAYOR RUSSO: And the people don't want protection held up. And my request is this--

SENATOR SMITH: Hopefully the recent case -- what's the name of it? It's begins with a *K* -- from Long Beach Island, where the Supreme Court said, "You're valuing these easements the wrong way" -- hopefully that will give you some relief. Condemn them. Have your solicitor condemn them.

MAYOR RUSSO: What I'm saying, Senator, is: Is there any way that the State-- The State has more attorneys. The State has-- We have one solicitor--

SENATOR SMITH: Call Commissioner Martin and see if he will do it for you.

MAYOR RUSSO: Thank you.

SENATOR SMITH: Thank you, Mayor.

Campbell Sapp, from Indiana Avenue, Atlantic City. Are you here? (no response)

Lauren Townsend, US Strong -- 60 seconds. But if you have written stuff, we will take it.

L A U R E N T O W N S E N D: I have given you written stuff.

SENATOR SMITH: Okay, good.

MS. TOWNSEND: I'm Lauren Townsend; I live in Bradley Beach, New Jersey. And I'm with US Strong -- we're engaging homeowners, first responders, faith leaders, community leaders, and local elected official

like yourselves to build support for commonsense responses and protective measures to respond to sea level rise, storm surge, and climate changes.

The Superstorm was a very scary event. And we heard horror stories today and we know about great strides we've made in being resilient.

SENATOR SMITH: Right.

MS. TOWNSEND: It's obvious that extreme weather is not just in New Jersey. This spring and summer we've seen extreme weather events across the country. A drought is hurting crops and businesses, there are forest fires, tornadoes, etc. And experts have made it clear that we need to prepare for extreme weather, including more severe and frequent storms in the future.

Though Sandy looms large, it wasn't a one-time thing. We've seen, in the last five years, multiple storms and it costs -- it's estimated that \$1,100 per taxpayer nationwide has been spent in the last year just on extreme weather alone. And we need real protections.

So what can we do? We're not going to stop the storms, just as we can't stop draught and tornados. But we can prepare. And in addition to the obvious precautionary measures -- seawalls, barriers, dunes, flood protections, safety nets, housing, the land-use management issues that we heard earlier today -- we need to do it right next time and make sure that no one is left behind.

D.C. politicians held up the Sandy Relief Bill for over 90 days, and they played politics with people's pain and suffering. And no one should suffer in New Jersey because of a hurricane or a drought in the Midwest. That's why we're working for an extreme weather relief and protection fund that would be a dedicated fund that could be accessed by

communities in advance of extreme weather events, and used quickly to relieve ourselves--

SENATOR SMITH: What's the source of the funding?

MS. TOWNSEND: We would like the source of the funding to be from carbon when it's spewed into the atmosphere. It's what creates extreme weather.

SENATOR SMITH: Got it.

MS. TOWNSEND: And we think that there should be a Federal solution, and that's why we are pressing -- we are working on coastal communities to make sure that our Congressional elected officials take a leadership role in Congress, and hope that you join us to get them to do that.

Thank you.

SENATOR SMITH: Point received; thank you.

John-- Is it Lambert (indicating pronunciation), from Neptune?
(no response)

David Pringle. If he does this in 60 seconds, this will go down in the Guinness Book of World Records. (laughter)

Ten seconds (laughter); fifteen seconds. (laughter)

Go ahead, David.

D A V I D P R I N G L E: Thank you, Mr. Chairman.

SENATOR SMITH: Other mike, other mike.

MR. PRINGLE: Other mike.

Thank you, and I'm glad you didn't have many people like me -- the usual environmental suspects -- testifying. I thought that the testimony was very compelling. You should have more hearings like this,

and you should listen to those folks more and carry forward the testimony -- not just Mark; but the folks who are the real victims need more help, faster help. The Governor has a horrible record on this issue and we need you, Democrats and Republicans, leading the charge, holding him accountable, calling his departments to task.

So please move forward, prosper, let's have that next hearing sooner and let's see where they're at. We haven't made the inroads we should have in the last four months since we had the last hearing.

SENATOR SMITH: Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

SENATOR SMITH: Lee Ann Newland, Sandy Recovery. Are you here? (no response)

Ciro Scalera, New Jersey Laborers' Union. You have to do three minutes in one.

C I R O A. S C A L E R A: You'll get it in one minute, Senator.

Thank you for the opportunity. I was going to talk about the effort that we did in the cleanup -- the Laborers in New Jersey. We had over 20,000 hours of clean-up work. We're in the process of rebuilding roads and bridges to the tune of \$560 million in New Jersey. It's a massive effort in all the shore counties and we're proud to be part of that effort to rebuild the roads and bridges.

I came here today for one environmental issue, and I spoke to you before the meeting. That is to urge your Committee in the fall to take up S-1588, Senator Greenstein's bill on mold. You heard today several witnesses reference the issue. The bill is a good start for New Jersey. It would create a registration system for the people who hold themselves out

to remediate. It's a consumer protection-type of initiative. It passed the Assembly. I'm looking forward to testifying in the fall at a regular Committee meeting, and that bill can-- We have some suggestions to strengthen it; we've shared them with the Senator, and we will share them with the Committee. And we're looking forward to that moving.

Thank you.

SENATOR SMITH: Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

And I believe we moved that bill out of the Assembly already.

Okay, next up we have Molly--

MR. SCALERA: (off mike) Chairman Spencer approved.
(indiscernible).

ASSEMBLYWOMAN SPENCER: Not a problem.

Molly Greenberg from the Ironbound Community Corporation.

M O L L Y G R E E N B E R G: (off mike) (indiscernible)

ASSEMBLYWOMAN SPENCER: Not a problem. And if you have any other handouts just make sure we get them. And remember, if you can keep your comments to a minute that would be greatly appreciated.

MS. GREENBERG: I will, and I will happily send written comments. I just sort of shortened these as quickly as I could so it's a little edited.

ASSEMBLYWOMAN SPENCER: Certainly.

MS. GREENBERG: My name is Molly Greenberg. I'm Environmental Programs Coordinator with Ironbound Community Corporation. Ironbound Community Corporation was founded in 1969 in the neighborhood of Ironbound, in the diverse community of Newark. The

Ironbound section is the eastern part of Newark. It's a multicultural, multiracial community with a population of over 50,000. This two-square-mile community is densely populated. It is historically an immigrant community; today Ironbound is home to nearly 30,000 people who were born outside the United States, the majority from Central and South America -- many of whom do not speak English.

Besides direct services, ICC sees over 900 people daily for direct services.

ASSEMBLYWOMAN SPENCER: Molly, before you go-- Ironbound has testified before both these Committees before, so with regard to the history, you could probably skip to just the point.

MS. GREENBERG: Okay, so one of the main reasons why we're here is to talk about the environmental impacts. We were one of the few groups on the ground, doing door knocking, to assess what was going on with residents. We have hundreds of residents in an area that we call *the island*. It's closest to the river that had an 8-to10-foot storm surge. There was little done to actually understand and assess the impacts on residents from numerous polluting facilities; from a Superfund site -- that's the Passaic River, with one of the largest deposits of dioxins that went into people's homes along with flood waters; it went through factories nearby -- (indiscernible) Chemicals, a detergent factory. All through -- DEP and the State were not there, and nobody-- We lack the assessment.

So we're here trying to work with partners to improve the environmental protections for communities -- in particular, urban EJ communities. We need better investment, on the ground community-level communication. It's not the signs, it's not the billboards that are actually

going to get to the residents, particularly in the poor and low income communities. It's door knocking, it's working with the community groups that are on the ground to make sure that information is being passed through.

We need to prioritize the needs to provide impacted EJ communities; we need to work with -- to establish protocols to reduce toxic hazards in EJ communities. In the wakes of storms, to better address environmental impacts, policy should be made to ensure that impacted industrial waterfronts are inspected immediately after the event to protect the community and assess the damages.

The only assessment that we were able to get is when EPA, at the request because of the Superfund site, came out and inspected weeks after. And obviously many people here know the damage to PVSC. There are numerous facilities right near PVSC -- some of which have pulled up shop and will no longer be rebuilding since the storm. And we don't know the impacts -- the accurate impacts of what happened and what those chemicals are. And those went into people's homes, those went into one of the largest county correction facilities, a large immigrant detention center; and the environmental and public health impacts have not been seen.

So for us, we are dealing with those impacts of what happened with the existing storm, as well as planning for the future. Green infrastructure needs to be required and prioritized in urban communities--

ASSEMBLYWOMAN SPENCER: Molly, I really don't mean to cut you off, but we have still about 20 people. But we want you to know that I have met -- as well as Senator Smith -- we've had various people from Ironbound Community Corporation meeting, most recently in my office in

particular, in the last month and a half. So we are familiar with some of the issues. We are familiar-- I am personally familiar with a lot of the issues. In case you did not know, I represent that district, along with Albert Coutinho. So we are very familiar with them, okay?

MS. GREENBERG: Yes, and I appreciate it, and I appreciate the time that everyone has taken to listen to the issues, and really what we're trying to do is find the proactive solutions.

So there has been conversations about what's been developed, and there is even a reference to getting more media attention out there. And I think media attention is important, but I think what we're really asking for is concrete solutions; putting the community and the community groups at the same table when they're having conversations about what recovery looks like. So if that's -- having our constituents and our representatives also urging that that process continue. But I appreciate and I thank you for the time, and I apologize for going a little bit over. But I do look forward to trying to have actual concrete next steps.

ASSEMBLYWOMAN SPENCER: Certainly. And I look forward to having you included in the meetings that I've had with other people, because I believe this is the first time that I've met you.

MS. GREENBERG: Yes, I know. Usually my supervisor Ana is--

ASSEMBLYWOMAN SPENCER: That's right -- Ana Baptista. Thank you.

MS. GREENBERG: Thank you.

ASSEMBLYWOMAN SPENCER: All right, next up -- Cassandra Shober, representing herself.

C A S S A N D R A R. S H O B E R: (off mike) Representing myself.
(laughter)

I seem to be the only woman who is representing myself.
(laughter)

A S S E M B L Y W O M A N S P E N C E R: No, I think a lot of people are here representing themselves. We had quite a few testify already.

M S. S H O B E R: Very good.

Thank you so much for coming to Atlantic County. My name is Cassandra Shober; I live in Ventnor, which is just down the road from Atlantic City.

We've had storms before. And the lack of communication before, during, and after Superstorm Sandy is kind of staggering, in that, how could we have known? And my question is: How could we not have known? We live on a barrier island. A huge portion of New Jersey is coast. Our coastal communities represent \$38 billion in revenue. We should be planning every day for that next storm.

We need your help; we need your help in communication. It would have been very easy to send a list out to our communities and say, "Not only do you need to evacuate, but these are the things you need to do next." We could have really used a plan and help.

One of the issues that we've talked a lot about is cash flow. It's something that my husband and I ran into. We were evacuated. We got 30 inches of water in our house. We were out for four-and-a-half months. We had a huge problem with cash flow. We took money out of our 401(k); we were very lucky that we had that available to us. We paid a huge penalty to take that money out so we could get back into our house. I

respectfully request that the State take a look at using the withdrawal of a 401(k) or pension monies -- that the fees for penalties be waived.

SENATOR SMITH: We'll send a letter to the Congress.

MS. SHOBER: Thank you.

SENATOR SMITH: We're State representatives but, Gene, if you would do a letter for Assemblywoman Spencer.

MS. SHOBER: Thank you.

Cleanup was a debacle. In our little town, our next-door neighbors had bins; we didn't. When it rained the trash ended up in the Bay, the trash ended up in the streets, it ended up in the storm drains. That's something that could have been helped and prevented from the State level down to our local communities. Give us the help to be able to clean up effectively.

And finally, I just want to talk a little bit-- A lot of people have talked about the dunes. Here on Absecon Island -- that's where you are now -- we had a Bay incident. The tide rises from the ocean and it rises from the Bay. If you're ever here on our island during a full moon and you drive down Wellington Avenue, you're driving through Bay water. When we talk about mitigation, when we talk about fixing, it is not just the dunes. These water issues are not just coming from one side; they come all around us. We're on an island. So please, as we're talking about mitigation, as we're talking about things we can do -- seawalls, pumping stations, other various mitigations -- if there's something new, I'd like to try it.

But we're very happy that you're here. Please come back and visit. We may be open for business, but there are a lot of us who still need help.

Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up is Jeff Tittel from the Sierra Club.

J E F F T I T T E L: Thank you, and I'll try to keep it to a minute. I drove three hours this morning, and I thought you were at 10:00, so I've been up since about 6:00 a.m.

ASSEMBLYWOMAN SPENCER: Certainly. You have a minute, Jeff.

MR. TITTEL: Just real quick: I'm glad you're here because, quite frankly, there are a lot of stories that need to be told. I think the most critical one is dealing with the environment and how we go forward.

You know, the cutting of the ribbons and all the TV commercials do not take away from the misery that people are feeling. But more importantly, you need to use your role, one, as an oversight committee. Because I'm hearing stories about where garbage was dumped -- there are piles, and there wasn't proper materials put down, and people are concerned about toxins. I just got calls this week about beach replenishment projects where, under the definition -- because we're waiving everything and we're not really looking -- what was dumped on the beach was sewage smell. Well, maybe it could have been biota from the Bay, but only 90 percent has to be sand -- 10 percent can be anything else. And that's what we're seeing.

But the biggest issues that are facing us are climate change and sea-level rising. We're not dealing with it, and we're going to be putting billions of dollars out to sea if we don't deal with it. We took \$200 million

out of Clean Energy that could be helping people rebuild in a resilient way. We're not putting the money back where we need to put it.

And I just want to leave you with this. Besides oversight, there are more than a dozen bills that you have been working on. Move them. Whether it's closing CAFRA loopholes, stopping them from bulldozing dunes, whether it's making sure that there's proper access to our beaches, making sure that we're doing green building, making sure that we're doing things in a more resilient manner, that we're also restoring natural systems and having green infrastructure, and all those things that you've talked about for the last seven or eight months -- you have to start moving those bills and see what happens. Maybe the Governor will veto them or maybe he'll sign them. But you have to use your role as a legislature to pass the laws that we need to protect us from future storms.

You know, the slogan is "stronger than the storm." Are we stronger than the next storm? No, and that's why you have to do your job and pass those laws, whether it's to encourage regional planning, to try to have some kind of coastal commission, close those loopholes and move the environment in this State forward. Because the people are suffering and they demand it of you to do your job.

Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up -- Janice Selinger, New Jersey Work Environment Council.

J A N I C E S E L I N G E R: Thank you. And I do have some written comments which I will leave.

I'm Janice Selinger. I'm the Communications Coordinator for the Safer After Sandy Project, which is a new project from the New Jersey Work Environment Council. And WEC is a coalition of 70 labor, environmental, and community organizations working for safe, secure jobs in a healthy, sustainable environment.

We have an 18-month Susan Harwood Grant from OSHA that helps workers and employers build understanding of some of the safety and health hazards associated with Hurricane Sandy cleanup, recovery, and rebuilding.

As you're well aware, workers, volunteers, and residents are engaged in cleanup, and recovery, and rebuilding. And unless the work is done correctly it can pose serious health and safety risks that can cause a second long-term disaster.

Immediate safety dangers could be debris piles, building collapse, electrocution, gas explosions, falls, and other construction-related hazards. And there can be an exposure to sewage, asbestos, lead, silica, cement dust, chemicals, and mold. And what we're going to be doing is, we're providing safety and health information to the press and the public through our Safer After Sandy website, Twitter, and Facebook page -- which is currently under development. We're also going to be producing public service announcements for radio and for television. And we're going to have a Health Awareness Outreach Day on Sunday, September 15, as part of the New Jersey Friends of Clearwater Festival in Long Branch, where we're going to hand out educational materials. We're going to be providing free training to ensure that workers and employers are aware of these hazards that they might encounter and how they can protect themselves.

And we look forward to working with you to ensure that no one is injured, made ill, or dies on the job as we recover and rebuild from Sandy, and also prepare for the next extreme weather event.

So thank you, and if people have information about where mold is currently being cleaned up, I'd love to know about that -- because we are producing these public service announcements and I would like to get some of that footage.

And I do have material in my car if anyone is interested.

ASSEMBLYWOMAN SPENCER: Very good. Thank you.

MS. SELINGER: Thank you.

ASSEMBLYWOMAN SPENCER: Next up, Eric Hansel, Sustainable Master Plan.

SENATOR SMITH: Not here.

ASSEMBLYWOMAN SPENCER: Not here.

Next -- Michael F. Johnson.

M I C H A E L F. J O H N S O N: (off mike) Here.

I'll be very brief; I'll just leave something with you.

ASSEMBLYWOMAN SPENCER: Thank you.

MR. JOHNSON: Good afternoon. My name is Mike Johnson, and I would like to speak on behalf of my Atlantic City community.

Basically, we have a problem with the Department of Community Affairs as they overlook (*sic*) their two programs -- two of the programs that they have under their tenure -- the Resettlement Grant Program, and the Reconstruction Evaluation and Mitigation Program. Both of these programs-- They have form letters that they are sending out to the citizens telling them that they're denied, but yet the reasons that they're

given are not correct. In other words, in my case, they said I was denied because I did not have at least a foot of water in my home. Well, I had 28 inches. And a lot of people throughout the city are getting these kinds of letters. And what we need for you to do, as legislators, is to contact the Department of Community Affairs and see if they can correct-- Now people are appealing, of course. But if they do it right the first time -- well then, people don't have to appeal.

SENATOR SMITH: Let me make a suggestion, Mike. You have one of the best Senators in the State Senate right here. He represents Atlantic City -- Senator Whelan. Give him a letter describing what DCA didn't do, and I'm sure he'll get in touch with--

SENATOR WHELAN: And Michael, you're not the only one. I mean, we've had--

MR. JOHNSON: Right, I know.

SENATOR WHELAN: So we--

SENATOR SMITH: Yes, he'll hit them with the baseball bat.

MR. JOHNSON: And I know that. I know Senator Whelan personally; he's helped me in the past.

Thank you very much for the time.

SENATOR SMITH: Thank you, Mike.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up, Victoria Phillips from Mental Health Association.

VICTORIA L. PHILLIPS: Good afternoon. I will try and time myself and be brief, but I am here to speak for the voiceless.

I am the Executive Director of the Mental Health Association here in Atlantic County. I am also a member of the Atlantic County Long-

Term Recovery Executive Committee. I'm also a trained mental health volunteer who was deployed for Hurricane Marilyn, Hurricane Katrina, and also Superstorm Sandy.

Our concerns rest with the vulnerable populations, and they started before the storm, they happened during the evacuation process, and they continue today. These vulnerable populations include the poor, the elderly, persons with physical disabilities, persons living with mental illness, individuals with diminished capacity, undocumented individuals, persons who have language barriers, and individuals who are overwhelmed by their loss and unable to navigate the process moving forward.

This is a big group of people, and they're not being heard. They haven't been heard much since we've gotten here this morning. We're finding, 10 months later, we have some very clear things that we're seeing. I was moved by the two women from Union Beach; but can you imagine if you were a senior citizen or somebody with a disability trying to deal with what those capable women were dealing with?

Seniors have been heavily impacted by this storm -- many who have drained their life savings. They're trying to turn to the grants and the Long-Term Recovery Committee, but they can't move forward because we can't help them in the Long-Term Recovery Committee until they hear from the grants. They're sitting in gutted houses; they've had unscrupulous contractors come in who have said that they have removed the mold, and yet you can smell it as soon as you walk in their houses. The mold is growing up their walls. They've paid for services that were just pretty much robbed from people.

We're also concerned with the families that have language barriers. They're trying to negotiate with insurance companies and with these RREM staff people, and they're not being understood.

We're extremely concerned about persons living with mental illness, particularly those trying to find housing. We're seeing large numbers of elderly who are fearful to move forward. They can't make decisions, they don't know who to turn to, there's no one on the streets to help them understand the process that they need to go through. And even when they are getting phone numbers to refer to, they're bounced from agency to agency to agency. And it's just criminal.

SENATOR SMITH: What is the solution?

MS. PHILLIPS: I think that we have a lot of people in this county who are trying to find the solutions, and I don't know that we have all the solutions up. But we really need more people who are in the neighborhoods -- not sitting behind desks and not sitting behind a 2-1-1 phone number. We need people sitting and going neighborhood by neighborhood. I myself have walked since early November from neighborhood to neighborhood throughout Ventnor, Brigantine, Longport, Margate. And I've been in houses where people have no idea what they-- They don't understand at all what to do. They just are so confused by the process.

And I think we just need more people out on the streets and talking to people, and understanding the process and figuring out how to move them forward. Because the grants -- like those women said today -- those grants are impossible to try to understand. I heard one of you ask about what is the process. There is a flowchart that's being distributed by

New Jersey Strong. You should look at that flowchart. It's a daunting process. And you talk about somebody who is 75 or 80 years old trying to do it alone. It's very, very scary.

ASSEMBLYWOMAN SPENCER: It certainly sounds like you have raised some of the same concerns that the two individuals from the NAACP -- Ms. Steele and Mr. Young -- brought up with regards to the community here in Atlantic City -- which is also an equally challenged community, considering the fact that a lot of them are older and that they are renters, and they're not as willing to leave their properties because this is the place that they know and they're unsure as to where to go and who to turn to.

But certainly we will get a copy of this flowchart and see exactly what kind of maze it is that we're giving to people, so that we can better understand it. And if it needs to be changed we can make suggestions to the proper people.

MS. PHILLIPS: Well, I will just add that our agency got a grant from Robert Wood Johnson to put case managers on the street. We are three weeks into having that grant, and we are overwhelmed with the amount of cases that are coming forward that need our help. And we are a little different; we do spend the time in the homes with people and are seeing this going forward. But I just think you need to double that effort in a big way.

ASSEMBLYWOMAN SPENCER: Certainly.

MS. PHILLIPS: Because there are a lot of people who, if they can't move this forward, I don't know how they're going to recover.

ASSEMBLYWOMAN SPENCER: Certainly.

MS. PHILLIPS: And I do have written testimony, because I did deviate.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up, Roderick Scott from Baumgardner House Lifting.

R O D E R I C K S C O T T: Good afternoon. I'll be very brief. I have some information here.

Actually, I am a consultant from the Gulf Coast area, near New Orleans. I've been involved with repairing flood and fire damaged structures for over 25 years. I've been in the structural elevation hazard mitigation industry for 7 years, working in various parts of the country. I'm in month nine in New Jersey; I've travelled over 9,000 miles on this coastline. I have produced a first-time-ever public outreach on how elevation works in this state. We have 9,000 structures elevated since Katrina/Rita in the Gulf and in Louisiana, and you guys are just getting started here. There was a lot of denial about the issues and having houses too low to the ground here. And we've now suffered the consequences.

You have a limited amount of time -- 50 (*sic*) years -- to get the structures up. We estimate 300,000 structures in this state have to be elevated or removed from the landscape. You have billions of dollars of work to do. You have a very small home-grown elevation industry in this state. There were four or five qualified, experienced professional contractors with, maybe, eight machines. You now have several corporations from outside the state that have focused on elevation in the Gulf for several years. You now have 28 machines in your state; you need 200. You need 200 elevation machines in order to get on this quickly

before you get slammed again -- which is coming. This dance is coming again.

We just did our fifth hurricane in nine years in the Gulf last year. I went through my first hurricane down there. As a consultant, I have done this public outreach. I think we need to encourage more public outreach. There is a lot of third railing going on below Atlantic City that -- "Let's not touch that issue; let's not touch the elevation issue. Maybe it will just work itself out." Whereas, up north it was embraced by the local governments and we did a lot of public outreach in churches and auditoriums for the cities, with the city governments.

We need to get elevation going in this state; however, we are going to encounter the very same thing that we encountered in the Gulf, which is inexperienced people claiming they can do this. We dropped a house in Egg Harbor a couple of weeks ago and destroyed it. Luckily three men lived through that experience. We dropped 12 houses and killed six men and widowed six families before our state cracked down on the requirements for these elevation contractors.

We have 100 percent support of these professional elevation contracting companies that are in your state right now -- both homegrown and from out-of-state. We gave a list of six items that we desperately need this state to enact in their contractor qualifications. The homeowner improvement contractor qualifications will not hold up. You will drop more houses and kill people if we don't get this stiffened.

SENATOR SMITH: Got it.

MR. SCOTT: Got it. So we want to help. Our industry--

SENATOR SMITH: And what you gave us is very helpful. We're getting a bill drafted.

MR. SCOTT: Great. And we'd like to work with you. We've given you the points that will really work. They've worked across the Gulf and we think they'll work here.

Thank you for your time, and thank you for all your efforts and leadership.

ASSEMBLYWOMAN SPENCER: Thank you, thank you.

Next up -- Debbie Mans from New York/New Jersey Baykeeper.

D E B B I E M A N S: Okay, real quickly -- Debbie Mans, New York/New Jersey Baykeeper, working for over 20 years to protect, preserve, and restore the New York/New Jersey harbor estuary.

So I'll just get to the three main points. We look forward now, after the storm, and we are looking to the Legislature to provide leadership in making sure that the billions of dollars to be spent on recovery will not be squandered and that they will be spent equitably.

First, we need to improve public communication and make it timely. We had first responders and homeowners wading through polluted river water, with millions of gallons of raw sewage in it and toxic chemicals from industrial sites, along our urban waterfront.

Second, we need to protect urban waterfront and critical infrastructure, including wastewater treatment plants. And we need to do this through including green infrastructure. And we can't just rebuild; we need to upgrade to achieve long-term water quality improvements. So don't just rebuild PBSC; upgrade it so that it can take in more stormwater and can reduce combined sewer outflows into our urban community.

And third -- buyouts must be implemented more comprehensively, more broadly, and faster. So far we are only working in two communities that I know of. And this process is too slow and it's not going to meet the timeframe that the Governor set out.

More specifically, the Legislature can do the following: Pass Senate Bill 2600, with amendments that condition the use of public funds for shore protection and waterfront improvements -- now that the Hudson River walkway is in there -- on the provision for guiding meaningful public access.

Second, pass amendment Senate Bill 831/Assembly Bill 2852 which would require timely notification to the public when raw sewage is in the water, and establish important signage and monitoring requirements. This bill needs to go through the Senate with the amendments. Thank you, Assemblywoman Spencer; that happened on the Assembly side.

Third, in order to restore and soften our edges that we have lost -- our waterfront edges that we have lost to development -- we need to restore wetlands, open space buffers, oyster and mussel beds, and barrier islands to help address this. And this is a very parochial concern on our part. The Legislature should pass S-107, which would lift the ban on oysters for use in restoration or research purposes in the Hudson/Raritan estuary.

And finally, I would say don't pass bills like the one that is sitting on the Governor's desk that would allow building on piers in high-hazard areas. That is not the kind of action we want to see from the Legislature. And I know you guys can do better than that, and I'm looking forward to the outcome of this hearing. We've heard a lot of compelling

testimony. You guys have a lot of work to do. I don't envy your position, but we're looking to you to provide the leadership.

And I have handouts. Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up -- Karen Lane from IBEW Local 827.

Please begin.

KAREN S. LANE: Hi, my name is Karen Lane. I'm Vice President of the International Brotherhood of Electrical Workers. We represent the majority of Verizon workers -- 4,700 workers in the State of New Jersey.

I'm not here to ask you to do anything. I'm just here to alert you to something that Verizon is rolling out into Mantoloking, the Barrier Islands, Bay Head -- it's called Voice Link. It is an inferior product to the infrastructure that they have now, which is copper or fiber. And what this is going to do is, it's going to impact your public safety. I do have a handout here, which is Verizon's service agreement. And it outlines all the things that Voice Link doesn't do. It doesn't support burglar alarms, fire alarms, 9-1-1-- If they install this system in your house, then you can pick this up and take this somewhere else, just like you would with Dish Network -- a lot of people do that to save money. If you do that, and you take this to another location to use it -- because it's, basically, just a cell phone -- if you call 9-1-1, the 9-1-1 services are going to go to your home where it was originally installed. You're not going to get it.

Burglar systems -- it's a wireless product. It can be jammed. If somebody is outside your house and you don't have a burglar system, and all you have is Voice Link and you want to call 9-1-1, all they have to do is

turn on this jammer and that will make it inoperable and you are very vulnerable.

ASSEMBLYWOMAN SPENCER: And you have information on this to share with us so that we can disseminate it to--

MS. LANE: I do. I have the service agreement -- the Verizon service agreement spells it out. They're not hiding it, but they're not really making this known to the municipalities.

ASSEMBLYWOMAN SPENCER: They're not being transparent about it.

MS. LANE: And the other thing that's going to happen is there is going to be a loss of revenue to these municipalities that are already hurting. We have this infrastructure that's up there now, with the copper, the fiber, the telephone poles. Once they go wireless, they'll no longer be paying these municipalities tax dollars. So who's going to make that up?

Also, there are issues with e-commerce. This product does not support e-commerce. It doesn't do fax lines, it doesn't do credit cards -- anything like that. So for a community that is trying to rebuild, especially in these shore communities, this is not going to help them. It should be used as a temporary fix only until we get you back up into service. But that's not what they want to do. And they're making it sound like they only want to roll it out to these three communities. They're rolling it out to the entire state.

ASSEMBLYWOMAN SPENCER: So your testimony is that they're rolling it out to these three communities because these three communities were hardest hit by Sandy, or-- I mean, I don't understand

why they're-- I don't understand why you're here to introduce this information, and if it -- whether or not it ties to the Sandy issue.

MS. LANE: Well, this multi-billion dollar company that has been taking these tariffs and this money from all of your constituents are not going to put back into place what Sandy has taken away.

ASSEMBLYWOMAN SPENCER: Okay.

MS. LANE: What they want to do is put in this inferior product, which is not going to help you economically or safety.

ASSEMBLYWOMAN SPENCER: Okay. All right, certainly, if you just provide us with a copy of it, we'll be sure to get copies to the respective districts.

MS. LANE: Thank you so much.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up -- Wayne DeFeo.

WAYNE D. DEFEO: Good afternoon. I have submitted written testimony so I could be extraordinarily brief.

ASSEMBLYWOMAN SPENCER: Yes, you have.

MR. DEFEO: I just want to point out that I'm not here to-- We've had a lot of sad stories; I'm here to give you some good news. And the good news is that a number of buildings that were built prior to the storm, that were built to sustainable standards -- in particular, LEED development standards -- survived the storm well in the storm areas.

These standards do things such as encourage the building of proper drainage, the building of systems where you don't have impervious surface, stronger materials -- materials that are more resilient. The important thing that I would like to get across is that in the plan for

rebuilding now, sustainability is a goal. And the statement says “where feasible.” I would argue that it is always feasible, and that that language should be stricken, and that sustainability standards should be a mandate. If that’s done, it doesn’t mean people couldn’t rebuild where they are; it means that certain standards of building would change.

This should be the paradigm; it should be the norm. the argument “where feasible” is an *out argument* -- is an argument to allow people to say it’s too expensive. It is not.

I will give you one anecdote. There are six case studies of success in this report that I submitted. The one anecdote I found (indiscernible), and it is not a LEED building, is in Bayonne. It was several years ago; a school put solar panels on the roof. We all talk about solar. It is the only building that I know of in the State of New Jersey where the panels were designed as an emergency back-up system. Not only do they provide power normally -- but in the storm they kicked in to back up the diesel generators. Accordingly, less than 500 gallons of diesel was used, and the school always had power and it was used as a shelter. That’s a form of resiliency.

I leave this with you. I’d be happy to come back at your convenience, and I thank you very much.

ASSEMBLYWOMAN SPENCER: Thank you, thank you.

Next up -- John Scotland from BrigStrong. (no response) He’s not here.

Next -- George Kasimos, Stop FEMA Now.

G E O R G E K A S I M O S: Thank you very much for having this. We need this.

I'm a homeowner in Toms River; our home got flooded. I needed information: Do I raise? Do I rebuild and raise? Can I afford the flood insurance? It was a FEMA issue. You know, since that point in time we've had significantly more questions than answers, and just things that don't make sense. And, you know it's not just about FEMA; it's about all these issues. And even our dunes -- you know, it was an issue-- It's been a year almost, and we need to get the dunes built. Let's get together and let's get them built. We're losing the sense of urgency and it has to get done, number one. Number two is the RREM program -- it helps people with unmet needs, okay? If you had flood insurance and a similar person did not have flood insurance, the person who did not have flood insurance has more unmet needs. We're rewarding the people who did have flood insurance. This is not the message we want to send. If you live in a flood zone and you do not have flood insurance, you should not get paid. This should get stopped.

There is a new program out that's helping first-time home buyers, okay? It's giving them \$50,000 to buy a new home. And this is part of all the \$1.6 billion we're getting. This is an insult to everyone. We don't have funds for things. I'm not asking, "Hey, we need more money, we need money." We have to do with what we have -- I understand that. We're giving \$50,000 to people to buy a home, and we're not helping the people who had their homes damaged? These are issues that our State controls. We might not be able to control FEMA, but we have to control what our State does, and we definitely need this help. These programs need to be drastically changed. Help our homeowners.

And lastly, if I can ask if we can have this meeting up and down the coast, okay? In Trenton it would be great, but all the affected homeowners-- You want to hear from homeowners? Please, do it up and down the coast. Do it in Union Beach, do it in Toms River where these ground zero areas are. You want to hear from the people? And I know it's boring sometimes, but give them a minute and let them know this. But we need to get together.

Lastly, I started this group just to get information. We've grown to over 10,000 members. On September 28, we're having a rally up and down all communities in New Jersey, New York, and Louisiana. The flood insurance premium -- nobody has spoken about flood insurance policies. If we raised our homes to the required elevations, we still do not get the premium rate. According to FEMA and according to the NFIP, we need to raise our homes 4 feet above the BFE, okay? Our flood insurance premiums are going to rise exorbitantly. Maybe they're not going to rise to \$30,000 a year. My flood insurance was \$1,000; it was going to go to \$30,000 in a V zone. It got reduced -- FEMA got it reduced with everyone's help here, and I appreciate it. It's going to still be \$9,000. If you take that and you average somebody from \$1,000 and \$9,000--

SENATOR SMITH: Did you get your renewal?

MR. KASIMOS: No, that's not going to happen until we get the firm rates. But I'll tell you what's happened in Louisiana. In Louisiana they have their firm rates. All the legislation that's going into Congress right now is coming from Congressman (*sic*) Vitter, and Congressman (*sic*) Landrieu, and Assemblyman Cassidy from Louisiana; and it's going to be

happening from here. No -- our new bills are going up 5 or 10 percent, okay? That I understand. Our--

SENATOR SMITH: I thought the Congress in 2012 passed a bill that said that flood insurance premiums could rise by up to 25 percent per year for the next four years. And I thought that was what was governing it. I'm not at the right height; my flood premium increased by \$80.

MR. KASIMOS: The \$80-- No, you're referring to the Biggert-Waters Act. Our true flood insurance rate that I'm referring to, at \$9,500 -- that's coming from me -- is going to come when the maps are firm. They're going to be firm in the next year.

SENATOR SMITH: And the 25 percent won't apply to them.

MR. KASIMOS: No. That's when it starts applying. So my flood insurance is scheduled to go to, say, \$9,500. I pay \$1,000 a year. How do you get from \$1,000 a year to \$9,500 in four years? What they're doing is they're taking \$2,500 from the \$9,500, 25 percent of the \$9,500. It's not-- Twenty-five percent of a \$1,000 is \$250. It's 25 percent of the \$9,500. And this is the mathematic-- This is what we have to get-- You are all educated; you are in this. We're homeowners. We're living out of garbage bags, and this is the assistance that we need, and this is what we need to get out to everybody -- is this is the beginning; this isn't the end.

And I'll give you one last story from the folks in Louisiana. Folks who raised their homes after Katrina need to raise their homes again. That's all I'm telling you. This is the beginning; this is not the end of what's going to happen. I don't want to sound like a storm monger, and I

thought in January when I got my few issues done, "We're done." I started a Facebook page "We're done." No -- this is the beginning.

And lastly, the reason we're getting these flood insurance premiums is the National Flood Insurance Program is in the hole \$20 billion. There are 5.5 million homeowners in America who have flood insurance. If everybody paid a \$4,000 surcharge one time, you'd have \$2 billion additional dollars. How can you charge \$9,000 average for life, for perpetuity? We're just building another bureaucracy for the NFIP. That's what we have to stop, and we have to get together. And that's why I'm proposing, and we're having -- in three different states -- we're having concurrent rallies and basically saying, "Look, we have to get together here and we have to stop this." This is the beginning. This is going to have a bigger effect on the housing market than the 2007 housing bubble.

And thank you again for your time. And I respectfully ask if you can have the meeting in Toms River and Union Beach. I understand you're all busy and it's hard to do, and I appreciate it. And I thank you very much; I appreciate it.

ASSEMBLYWOMAN SPENCER: Thank you.

MR. KASIMOS: Thank you.

ASSEMBLYWOMAN SPENCER: Next up -- Dennis Elwell, The Intersect Fund.

D E N N I S E L W E L L: Good afternoon. I'll be as brief as possible.

The Intersect Fund is one of the largest micro-lending projects in New Jersey. And recently we got a grant from the NJ Hurricane Sandy Relief Fund to do loans and grants for people who were affected by the storm.

We've talked to a lot of people who applied through the EDA, SBA -- those organizations -- and, obviously, as has already been mentioned before, there has been a lot of red tape, a lot of people were denied or are still waiting months on end for funding.

Since we're a smaller nonprofit and we're offering smaller loans, smaller grants we can cut through a lot of that red tape. And so I want to raise awareness of our program, which has a maximum loan of \$15,000 for business owners and a maximum grant of \$2,250.

So if you have any constituents who come to you with problems with applying for the EDA, ESBA, or if they're still waiting on that funding for months on end, we can potentially be an alternative for them.

So I have some flyers here with information -- the main details on what we do. And I'll just pass those around.

And that's about it. Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

MR. ELWELL: Yes.

ASSEMBLYWOMAN SPENCER: Next up -- Jim Rutala, from Rutala Associates. Is it Rutala (indicating pronunciation) or Rutala?

J I M R U T A L A: Rutala (indicating pronunciation). Thank you.

Good afternoon.

ASSEMBLYWOMAN SPENCER: Good afternoon.

MR. RUTALA: My name is Jim Rutala. Our firm, Rutala Associates, represents many of the coastal towns in Atlantic, Cape May, and Cumberland County. And we've dealt with a lot of the storm-related issues in these communities. I'm going to boil down my comments to three

requests: One is, back in March, most of the communities that were impacted by Sandy submitted Hazard Mitigation Grant applications. They are being reviewed by the New Jersey Office of Emergency Management. We have not heard anything on those applications. Those applications include hundreds of millions of dollars in help for communities in South Jersey. We have letters of interest from thousands of homeowners in Atlantic County who are interested in elevating their homes, and they've put in for those funds through their municipalities. We would ask you to follow up--

SENATOR SMITH: Are you the municipal engineer for these municipalities?

MR. RUTALA: Planner.

SENATOR SMITH: Planner?

MR. RUTALA: Yes.

We would ask you to follow up on that issue. We know it's a long issue, but the first step is they basically weigh what projects they want to fund, and then they continue the review process, and there's a cost-benefit analysis as required.

SENATOR SMITH: And when was it submitted?

MR. RUTALA: March.

SENATOR SMITH: You have the best Senator--

MR. RUTALA: We understand, and he is certainly aware. We've been working with the Senator on all these things.

SENATOR SMITH: He'll kick butt; give him-- Let him know what the projects were that are being reviewed and (indiscernible).

MR. RUTALA: This is all along the coast; it's not just Atlantic County. This is all being handled by the State.

SENATOR SMITH: Well, you should take each county by itself, and then ask the State Senators and Assemblypeople -- I'm not going to let the Assemblypeople out of it -- to get involved and start rattling the cage.

MR. RUTALA: Thank you. Okay.

Number two: We have a wonderful relationship with the DEP Office of Engineering Services -- Coastal Engineering. They do great work in Atlantic County, both the coastal improvements as well as bulkheads. Each year they get \$30 million allocated by the State to match coastal projects and to build bulkheads and revetments, and other projects. This year, because of Sandy, you can just imagine the amount of applications that they have are significant. I know there has been discussion in the Legislature and in the State about increasing their allocation. It would be very timely if that could be done.

Third issue: You've just introduced the New Jersey Environmental Infrastructure Trust; just introduced--

SENATOR SMITH: Yes.

MR. RUTALA: --a wonderful program to fund infrastructure -- very good. Eighteen percent grants, 57 percent zero-interest loan, 25 percent market-rate loan. And that will go a long way for a lot of the coastal communities. I know there has been some discussion about possibly having additional Sandy money going towards that program so the grant amount may be more than 18 percent. That would certainly be warranted in this case, because I can tell you the communities that I'm working with--

SENATOR SMITH: They have no money.

MR. RUTALA: --are dealing with reduced ratables. And they aren't in a position where they can do a lot of borrowing. But they are very eager to address the issues. So certainly that program is a wonderful program, Senator. If you were involved, thank you very much.

SENATOR SMITH: Yes, it's my bill.

What you should do, though-- How about writing-- Did you have it on the Assembly side? It was our bill.

UNIDENTIFIED MEMBER OF COMMITTEE: Our bill.

SENATOR SMITH: Okay.

MR. RUTALA: Thank you very much.

SENATOR SMITH: If you wouldn't mind sending us both a letter indicating specific requests. And then we can take it up and talk to the IT and see what we can do.

MR. RUTALA: Great; I appreciate your time. Thank you, sir.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up, Sylvia Stewart. (no response)

Anthony Lombardo, Save Barnegat Bay.

A N T H O N Y L O M B A R D O: Here or here?

ASSEMBLYWOMAN SPENCER: Wherever you'd like, sir.

MR. LOMBARDO: Either/or.

ASSEMBLYWOMAN SPENCER: Yes, as long as you're right in front of a mike.

MR. LOMBARDO: Good afternoon, everybody, and thank you very much for having this meeting. Obviously the myriad of issues that

you've heard today are probably blowing the back of your head off in a lot of ways.

But the only thing that I want to add to what was going on -- a lot of people covered a lot of the things that I may have wanted to say. But in regards to Barnegat Bay, the 45 miles of Barnegat Bay had 54 homes dropped into it, countless numbers of vehicles, cars, the contents of the homes, and things that are going to happen. Right now, the environmental impacts are far from being discovered. You think about the homes--

SENATOR SMITH: The Bay was a mess before Sandy.

MR. LOMBARDO: Okay, but now we have 54 homes and the contents of the garages -- propane tanks, paint cans. These things haven't rusted yet or anything like that, but when it does happen it's going to go-- The DEP had said that they had dredged certain waterways and things are being cleared off. But just by living in Ocean County myself-- I know somebody last week who was out in the Bay and cut their foot on glass even with shoes on. I know somebody who was coming from an inland waterway and it ripped a hole in their boat. It was a Volkswagen that they hit. So obviously there are some things that need to be done.

Anyhow, I can't even elaborate much more than I have. I can, but I won't. You all have a lot of work to do. Thank you very much and have a great day.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up, Tom Fote. I can't read the writing.

SENATOR SMITH: He is Jersey Coast Anglers Association.

ASSEMBLYWOMAN SPENCER: Thank you.

T O M F O T E: Thanks again for the hearing. I was up at the ones in the Highlands; I missed the one in Trenton.

I'll just throw out some fast figures: In 2007 we had 240,000 boats in New Jersey -- registered. In 2011 we were down to 160,000. And I don't know what we're going to be in 2013. I imagine it's going to be less than 120,000 boats. That's a lot of industry that's been lost over the last 10 years. Part of it was Sandy, because of the boats that were destroyed, but a lot of it was the economy and gas prices that's basically hurt the boat industry.

The recreational fishing industry is feeling the same kind of bite. I have a tournament going on, on the 24th. I had a thousand boats in 2005, 2006, 2007. This year, right now, I have 200 boats registered with seven days to go. It's a good chance to win a prize since we give away 120 prizes. We're going to lose money, but that's what happens.

One other thing, and I'll get off because of the time. We really need to sit down and talk about the fishing industry in New Jersey, both the commercial and the recreational. Climate change -- climate, where I just testified before the Senate Commerce Committee at the Federal level, talking about-- And I put in climate change, and the senator from Alaska said, "Well, thank God somebody talked about it since the four executive directors." We're basically moving fish populations. It's going to affect all the commercial fishermen and recreational fishermen in New Jersey.

So we need to address the \$4 billion boating industry that's going to be impacted. We need to address the fishing industry, both commercial and recreational fishing industry. And we need to have a hearing-- And probably besides these two great Committees, we need to

bring in the Agriculture Committee, since they do fishery regulations and we divided that out years ago. But I would appreciate it sometime -- looking for that, and bring in the commercial fishermen and recreational fishermen to sit and talk about how climate change is going to affect them and how Sandy is affecting them.

Thank you.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up -- Loretta Dibble, from Manufactured Home Owners Association of New Jersey.

L O R E T T A J. D I B B L E: Hi. My name is Loretta Dibble. I'm a policy person from the Manufactured Home Owners Association of New Jersey. I'm also President of Paradise Park Home Owners Association, and a person who lost their home during the hurricane.

I have a couple of quick points. Manufactured housing slips through the regulatory and policy cracks in New Jersey, and it's now slipping through the recovery cracks. The RREM program and the resettlement program are not being-- The manufactured homeowners who own their homes and live in lease-hold communities are not getting past the initial eligibility screening because they're matching applications with land records, with deed records. And if you're a homeowner in a lease-hold community, you don't own the land -- number one.

And we are also not getting any solid information from DCA about how the rules and regulations govern these programs. We're getting denial letters that don't tell us what the denial is for--

SENATOR SMITH: We've heard that before for other homeowners.

MS. DIBBLE: --and we've asked for copies of the rules and regulations that are being promulgated around these programs. We are being referred to the frequently asked questions page on the website. It just says "homeowner;" it doesn't say anything about whether you own the property or not.

I don't think this is what HUD intended when they gave this money to New Jersey to do this. So one, I would ask that DCA be transparent and tell us what the rules and regulations are; and two, is this purposeful to deny people who own their homes in lease-hold communities access to these programs, or is this just an accident? Because it's an oversight.

We don't know the answer to that, but we need to get the answer to that. I represent over 30,000 homeowners in the State of New Jersey, which is the largest source of unsubsidized portable housing in the state. And we need your attention.

SENATOR SMITH: Got it. Gene Lepore is going to get your address; Assemblywoman Spencer and myself are going to send a letter to DCA asking for this information and why you're being treated as, I don't want to say second-class citizens--

MS. DIBBLE: Well, we're always treated as second-class citizens.

SENATOR SMITH: Maybe that you dropped through the cracks.

MS. DIBBLE: This is not unexpected.

SENATOR SMITH: Right.

ASSEMBLYWOMAN SPENCER: Right.

SENATOR SMITH: But we do need your help. You have to give us all the contact information.

MS. DIBBLE: Okay.

And now my second point, very quickly, is I'm very disappointed. There is a lack of enforcement of the existing consumer protection laws that are there for people who live in manufactured housing communities and people who live in rental housing.

SENATOR SMITH: Could you be specific?

MS. DIBBLE: There are rules and regulations about closures of these communities, protected tenancy laws, and what's happening over and over again is people are taking insurance money, rebuilding, and then not letting renters, not letting homeowners back in. They're using this storm and the opportunities of this storm to do what you wouldn't normally be able to do. You would have to go through the Planned Real Estate Development Act, you would have to do other kinds of 18-month park closure notices--

SENATOR SMITH: Got it. What we need, though, is not the general comment that this is happening. We need at least one specific case where we can go--

MS. DIBBLE: Well, I don't want to be hit with a SLAPP suit for talking about specifics, but I'm happy to provide them to you privately.

ASSEMBLYWOMAN SPENCER: That would be good, because we've heard other things. Earlier today we heard some testimony from the Legal Aid Society with regards to how renters were being treated and why they had come to them for assistance. So certainly it appears as

though there are some -- I'm not going to say unintended consequences, but some things that are happening that require some attention.

So if you would provide the information offline to either Senator Smith or myself, it will be helpful, and we will add it to the other complaints and issues and questions that we have for DCA.

MS. DIBBLE: Thank you very much for listening to me.

SENATOR SMITH: And perhaps you could get somebody who you know in the Association who has had this and is willing to give us the specifics. Because I know what's going to happen when we send the letter to the bureaucracy.

MS. DIBBLE: Yes.

SENATOR SMITH: We're going to get a letter back saying, "Give us specifics."

MS. DIBBLE: Well, thank you very much for holding this hearing.

SENATOR SMITH: Sure.

ASSEMBLYWOMAN SPENCER: Thank you.

Next up -- Simone Dannecker, New Jersey Housing.

UNIDENTIFIED MEMBER OF AUDIENCE: (off mike) She testified already.

ASSEMBLYWOMAN SPENCER: She testified already; very good.

And last, but not least, Bill Wolfe.

SENATOR SMITH: The anchor man.

B I L L W O L F E: No, I don't have anger today. My name is Bill Wolfe.

SENATOR SMITH: Not anger -- anchor.

ASSEMBLYWOMAN SPENCER: Oh, anchor. (laughter)

MR. WOLFE: Oh, anchor. I thought-- Anger is also fitting in my testimony, too.

I'll just be very brief and focus on governance. And I think the most important statement made today -- despite the compelling testimony of people who have been destroyed and harmed by the storm -- was in your first 30 seconds, Mr. Chairman, where you noted that the Administration's rebuild czar refused an invitation -- which goes to the fundamental question here.

You heard compelling testimony from everybody from every interest -- housing, environment, social services, everything -- that there's a deep frustration that people have -- lack of transparency, lack of participation. One testimony said it was not like a democracy. These all flow from the same source of-- You understand how government works. This is a question of the balance of powers between the Executive Branch and the Legislative Branch. And the Executive Branch is not providing participation and transparency and accountability, but they're taking away. You heard testimony on emergency rules -- which is extraordinary. The Administrative Procedures Act is the only thing that holds the Executive Branch accountable to the legislative intent. There are procedural protections there. They are being ignored through emergency rulemaking procedures.

I find it extraordinary that the HUD process -- billions of Federal taxpayer dollars are being spent and allocated with zero participation. And that's bad enough, but there's no plan, there are no

policies against which these monies are allocated except -- that there's a strategy behind them, that there's coherence, internal logic. There's nothing.

So when you have a Governor who believes that he has ultimate power -- when he has significant power to begin with -- but then comes in with an additional agenda, you guys have to beef it up even further. So at this point, if you have a person of his authority denying an invitation to a legislative hearing of this magnitude, I would use subpoena power. I would bring the entire Administration to the table through all the legislative committees. You heard testimony that that's through several committees. And you we have to manage this process.

And lastly, the most important thing is, again, being trained as a planner, I think Commissioner Mauriello -- or former Commissioner Mauriello -- had some very, very significant testimony again on some very detailed items -- that all can be resolved through planning. And when you bring people around a table to solve problems you don't get the kind of frustration and alienation and dysfunction that we've heard today.

And just closing with a philosophical point: What we're seeing is not just a coastal vulnerability from the waves of a storm, we're seeing the vulnerability of our entire government philosophy of the last 30 years, which is government is the problem; get government out of the way. And I think what we have is the worst of all worlds -- where we have red tape for people, and we have no oversight and no regulations for the private sector.

ASSEMBLYWOMAN SPENCER: Thank you.

Okay. Mr. Wolfe was the last person who we had signed up.
No more--

M O N I C A M A L O N E: (off mike) I was signed up. I was signed up before that other guy.

ASSEMBLYWOMAN SPENCER: What is your name? Come forward.

MS. MALONE: Monica Malone.

ASSEMBLYWOMAN SPENCER: Come on. What's your name?

MS. MALONE: Monica Malone. And I signed up.

My issue seems insignificant compared with people who have had their homes destroyed and their lives turned upside down. But I think it's solvable. I want to make sure that it doesn't happen to anyone else, because I expect more hurricanes.

My boat was taken by AshBritt off private property. I had to file a lawsuit against the State to get the boat back. What I'm advocating is that the State have contingency contracts in place prior to a storm so that we don't wind up with contracts like we had with AshBritt.

I got an estimate of \$450 to transport the boat from where they took it to back. AshBritt billed the State \$27,258.26 to transport the boat.

ASSEMBLYWOMAN SPENCER: Wait, wait, wait. You got an estimate for \$450 to transfer the boat back from where AshBritt had hauled it, to where you had it. And AshBritt charged the State \$27,000 to move it the same-- Okay, go ahead.

MS. MALONE: Yes. (laughter) Because under their contract they were allowed to charge \$1,000 a foot for transporting boats -- which is an unreasonable fee but it was right there in the contract.

ASSEMBLYWOMAN SPENCER: I need a boat hauler.

MS. MALONE: Yes. There was a sunfish, a little sunfish that you put on the top of your car. They charged \$4,000 for transporting that.

So my recommendation is that we put in place contingency contracts in advance. We know we're going to get more hurricanes, we know we're going to need clean-up services. If it's done in advance, we have time to look at the contracts, examine them, and not allow them to slip ridiculous things like that into the contracts.

ASSEMBLYWOMAN SPENCER: The devil's in the details; understood.

MS. MALONE: I'm also advocating that there be a law that people should not have to pay for the return of possessions that were tossed around by a storm. If a hurricane comes through, you shouldn't have to pay to get your possessions back. And I know that there were unscrupulous contractors; there was AshBritt, there was-- The State stated in the newspaper that they would not be charging people for the return of the boats; that FEMA would be paying those fees and reimbursing the State. That was not the case. The State would not release the boats unless we paid that.

I'm also advocating that there be some sort of an ombudsman or citizen advocate to help in these situations. I was told-- I went to everybody in the State -- I'm a good advocate for myself -- all the way up to the Assistant Commissioner of the DEP. I was told, "We put this policy in effect and there's no way to intervene. There's no way to circumvent it. The only thing you can do is wait for your boat to go up for auction and buy it back." So pay the \$27,000, or wait for it to go up for auction and buy it back. That's not acceptable. "There's nothing we can do." "Well,

you took it off private property; it was a mistake.” “Yes, but there’s nothing we can do.” So we need somebody who can intervene in a process when crazy things start happening.

We also need better oversight of the contractors, because there were a lot of abuses. We have a policy in place. Part of the contract was that they had to get permission from a landowner before they went onto private property and removed anything. They did not adhere to that. The discovery documents I received indicated that they actually certified that it was not on private property. They had a list of boats they were going to pick up; they had to confirm with the State and say that none of these were on private property. We need better oversight of what they’re doing. We all know about the trash-hauling fiasco scandal. We need somebody-- We’re paying for this, you know? He’s funding Christie’s campaign, but we’re paying for it.

SENATOR WHELAN: You did get your boat back, though, right?

MS. MALONE: Yes.

SENATOR WHELAN: Okay, and you--

MS. MALONE: We’re going to go work on it this afternoon.

SENATOR WHELAN: And you didn’t have to pay the \$27,000?

MS. MALONE: Correct.

SENATOR WHELAN: Okay. I just wanted the members to be aware of that.

MS. MALONE: Yes, but I did have to file a lawsuit at great expense and taking humongous amounts of time. Not everybody has the

freedom to take off of work to pursue something like that. Nobody should have to go through that to get their possessions back.

Also, the State was using the Abandoned Vessel Act to justify what they were doing in terms of the boats with Sandy, in terms of justifying what AshBritt was doing. I think the idea of an abandoned vessel is completely inconsistent with the concept of a hurricane. A hurricane comes and takes your boat down the street; you didn't abandon it, you didn't take it down the street and put it there. That's not what the Abandoned Vessel Act was meant for. We need some revisions in that to keep the State from using it for hurricane situations.

And also there are provisions in the law for the State to confiscate boats -- which they also seem to think applied in this situation. And it does not apply in a hurricane situation. But there's no provision that they have to give notice, and there should be a provision. The State knew who the boat belonged to -- we had had conversations about it -- and they did not give any notice before they removed it. They were on my private property, took the boat -- no notice. So they should be required to give notice before they do something like that.

We're going to have more hurricanes. We need to fear those hurricanes. But for some of us, our fear is of Governor Christie and his contractors, and that fear is stronger than the storm.

So thank you for listening to me.

ASSEMBLYWOMAN SPENCER: Thank you.

I think that wraps up the testimony for today. On behalf of the New Jersey State Assembly and the members of the Environment and Solid Waste Committee -- Holly Schepisi, Assemblyman Chivukula,

Assemblyman John Amodeo who is here today, and myself, Grace Spencer -- I want to say thank you for participating.

I'm not sure if there are any comments that any of the Committee members would like to make.

Assemblyman Chivukula.

ASSEMBLYMAN CHIVUKULA: I think it's very late. I don't want to hold it up.

It was a great meeting; thank you very much, Chairwoman and Chairman Smith for holding this meeting. I think this is what we-- We have to take it to the people so that people can tell us their difficulties, so that then we can go back to the Administration and try to see how we can really cut the red tape rather than talk about it. I learned a lot. I am a substitute on this Committee, but I learned a lot -- so much that-- So many rules that are being misused. So we need to fight back.

Thank you very much.

ASSEMBLYWOMAN SPENCER: And also I neglected Assemblyman Reed Gusciora, who is here as well.

With regard to everything that's been provided -- thank you. And those of you who we have asked to provide information, please make sure you do so because, indeed, there will be follow-up, and there will be additional hearings to further the discussion about Sandy and whether or not we are stronger than the storm.

SENATOR SMITH: On behalf of the Senate Committee we thank everybody for participating.

Senator Whelan or Senator Greenstein, is there anything you want to say?

SENATOR WHELAN: Good job, Mr. Chairman and Madam Chair.

SENATOR GREENSTEIN: Excellent.

SENATOR SMITH: The meeting is adjourned.

ASSEMBLYWOMAN SPENCER: Thank you.

(MEETING CONCLUDED)