

HURRICANE SANDY AND NEW JERSEY'S FIGHT FOR EQUITABLE DISASTER RELIEF

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A DECADE OF PROGRESS AND ONGOING CHALLENGES

In 2015, many victims of Hurricane Sandy were facing challenges with the Sandy recovery programs being administered by New Jersey. Lower-income renters, who were far more likely to be Black and Latinx than impacted homeowners, were offered meager assistance that did not allow them to return to the communities they lived in before Sandy, and many were forced to relocate far away from their homes or even out of state. The state allocated far more money to homeowners than renters, primarily through the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) program, a federally funded, state-run initiative to fund the restoration of owner-occupied homes damaged by the storm. And yet, nearly three years after the storm struck New Jersey, thousands of homeowners remained displaced, still suffering the financial and emotional effects of the hurricane.

Residents of low-income neighborhoods faced compounding challenges after the storm. On top of the hardship they already faced because of structural inequities, after the storm survivors sought emergency assistance because of missing roofs, damaged gutters, decomposed walls, and failing structures. They were often turned away by state agencies numerous times for small, and, often, unreasonable excuses. Many of them were suffering emotionally and living with post-traumatic stress from being left homeless or fending for their families in cold, moldy homes. Children developed coughs from the contaminated air they lived in after the storm. There was insufficient manpower from local nonprofits and volunteers to clean out every home and the state continued to drag its feet on rebuilding efforts.

The Storm and New Jersey

Hurricane Sandy, the largest Atlantic hurricane ever recorded, devastated the New Jersey coastline on October 28, 2012, causing widespread damage and displacement. It disproportionately impacted the state's low-income neighborhoods and communities of color, that were on the frontlines of the storm's wrath, already burdened by historic redlining, racism, and segregationist housing policy.¹ A common misconception of the storm is that it mostly impacted shore communities, but it actually had a significant impact on urban centers in the state; residents faced insurmountable odds against floods, structural damage, and life changing circumstances. The storm's entire economic damage nationwide is estimated at \$70 billion.

New Jersey's response to the storm was paltry and political. While the federal government provided billions of dollars in disaster aid, the Christie Administration initially distributed the funds in a discriminatory manner, favoring wealthier, predominantly white communities.² This injustice sparked a landmark fair housing complaint and subsequent settlement that reshaped New Jersey's disaster response and set a national precedent for equitable disaster recovery.

KISHA'S STORY



Kisha Baldwin, a single mother and homeowner who lived with her three teenage daughters in the Vailsburg section of Newark, was fighting for her rights to access funds to rebuild her home. Hurricane Sandy severely damaged Kisha's house. It had a collapsed roof, animals burrowing into her walls, and the entire heating system had been destroyed. She kept her home warm with heat from the stove, which emitted fumes that made her family sick. Thankfully, she was able to negotiate with the RREM program to rebuild the most necessary parts of her house. She worked with the state to replace her stairs, roof, heating system, and the mold in her walls.

The settlement agreement allowed Kisha to access funds that were previously closed off to her. Kisha's journey wasn't easy. In one meeting at a politician's office in 2015, Kisha spoke with a federal representative about her experiences during Sandy and how she had been able to access funding that initially had been denied to her. At the meeting, there were homeowners who were discussing their vacation homes being destroyed by the storm. Kisha spoke out and talked about not having access to funding until the RREM program began working with her after the settlement, and wondered why the state, led by Governor Christie, had been hearing out the concerns of vacation property owners when she needed to fix the only house that she owned.

The Disparate Impact of Sandy and the Christie Administration's Response

Hurricane Sandy left a trail of destruction and displacement throughout New Jersey. The storm's impact was particularly severe in minority neighborhoods, where residents faced higher rates of poverty, lower homeownership rates, and less access to resources.

Black and Latinx New Jersey residents were disproportionately affected by Hurricane Sandy in several ways, including:

- **Displacement and Homelessness:** Black and Latinx residents, particularly those in lower-income neighborhoods, were more likely to be displaced from their homes by Hurricane Sandy than white residents. This was due in part, to the fact that Black and Latinx residents were more likely to live in low-lying areas that were more vulnerable to flooding, combined with a history of neglect that left properties unprepared for current and future storms resulting from climate change.³
- **Access to Recovery Resources:** Black and Latinx residents faced more challenges accessing recovery resources, such as housing assistance and financial aid, when compared to their white counterparts. This was due in part to language barriers, cultural differences, and a lack of trust in government institutions.⁴
- **Health Impacts:** Black and Latinx residents were more likely to be exposed to mold, toxins, and other environmental hazards, resulting in more negative health impacts when compared to white residents.⁵ Latinx and Black New Jerseyans, including both uninsured and underinsured residents, received health services from Federally Qualified Health Centers at much higher rates than white residents.⁶
- **Disruption of Social and Economic Networks:** Hurricane Sandy also disrupted the social and economic networks of Black and Latinx communities. This was due in part to the fact that the storm destroyed homes, businesses, and community centers. Lower income communities had more difficulty obtaining recovery resources, as they had limited networks and financial bandwidth to address the economic damage brought on by the storm.⁷

The Christie Administration's mishandling of recovery efforts after the storm exacerbated already existing racial and economic disparities in New Jersey. The Administration's flawed rebuilding shut out low-income families and communities of color from critical assistance.

The Complaint and Landmark Settlement

These disparate outcomes made it increasingly clear that the Christie Administration's response, or lack thereof for certain communities, was discriminatory and unlawful. Given the reluctance of the Administration to voluntarily correct its wrongdoing, the only viable option was to take legal action.

Fair Share Housing Center, the Latino Action Network and the NAACP New Jersey State Conference decided to join forces to file a federal fair housing complaint against the State in 2014.

The complaint alleged that the Christie Administration's disaster aid distribution violated the federal Fair Housing Act and Title VI of the Civil Rights Act. The plaintiffs highlighted the disproportionate impact of the storm on low-income communities and communities of color. Among other claims, the plaintiffs showed that even though approximately 40 percent of the damage from the storm impacted renter households, who were majority people of color, only 20 percent of state aid reached such households. As a result, the case resulted in the largest fair housing settlement in history, leading to over a half-billion dollars being shifted to rebuilding programs supporting these neglected communities through an agreement between the plaintiffs and the State of New Jersey.

The settlement included the following provisions:

- \$215 million to replace and develop affordable rental housing in the nine counties most impacted by Sandy, adding to more than \$300 million for rebuilding that was negotiated prior to the final settlement;
- \$40 million for a new program to serve low-income homeowners whose homes were damaged by the storm;

- \$10 million in additional funding to support housing for people with disabilities impacted by the storm;
- \$15 million in additional rental assistance to support low-income renters;
- All denied applications for the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) Program would be reviewed and reconsidered;
- New Jersey would adopt a comprehensive approach to serving people with Limited English Proficiency (LEP); and
- New Jersey would conduct outreach activities on its Sandy recovery activities, and provide housing counseling, to low- and moderate-income persons and those who are not English proficient.

The settlement was an important step forward in ensuring that all impacted New Jerseyans, not a select few, had access to the resources they needed to recover from Hurricane Sandy. It also paved the way for more adequate and equitable use of federal funding.

The Effect of the Settlement on Low-Income Families and Communities of Color

The settlement agreement brought about positive changes for Black and Latinx Sandy survivors, including increased approvals of aid applications, improved outreach about available programs, and enhanced language services to ensure that non-English speakers could access aid without barriers.

Despite these improvements, many survivors still faced significant barriers to assistance that made it difficult for them to rebuild their lives. Implementation of the settlement agreement was slow — leading to further actions by the plaintiffs after the settlement to expedite the disbursement of funds — and, at times, assistance was still poorly administered.

JANET'S STORY

The Ironbound, another neighborhood located on the industrial shores of Newark, had been hit especially hard by the storm. The region is a federally designated Superfund site, heavily contaminated through decades of illegal dumping from chemical companies based in Essex County. After the storm, many of the residents became ill when toxic waste from the Hudson River flooded a section of the area referred to as The Island. The Island is a strip of land occupied by working class homes overlooking these former paint and chemical factories. And, because of the storm, people were relocated to temporary housing around the state for over a year. Some had given up fighting with contractors and were abandoning their homes after the recovery process had abandoned them.

Janet Cruz, who lived in The Island when Sandy struck, was a resident who fought against the state's inefficiencies, but unfortunately lost her home in 2015 to the mortgage bank. She shared the home with her daughter, her son-in-law and two minor children, her adult son and his wife, and her close friend and co-homeowner, Eduardo Salas.



Janet holds back tears when discussing Sandy. Her home was inundated in over ten feet of water, and she remembers fish swimming around in her living room immediately after the hurricane reached Newark. Janet and her family received \$78,000 from her home insurance, but a contractor took the money and left the home reduced to wood frames and uninhabitable construction rubble. Janet tried to take the contractor to court but was met with limited options in an unfriendly legal environment.

When the settlement allowed her to access the RREM program she went through two stages of construction plans, but eventually heard from the contractor managing the project that she no longer qualified. Janet lost her home and felt that the state mismanaged the settlement's requirements to appropriately service Latinx homeowners and the poor. "Had I been a white girl from a tourist town, I would have kept my house. But I received nothing from the state. I lost my house, and, unfortunately, Eduardo died years later from the stress brought on by the storm." Janet, born in Bayamon, Puerto Rico, feels that the rebuilding could have been clearer and better administered to help homeowners from Newark. Janet's story is important to share. While the settlement helped many homeowners recover property and access programs previously closed off to them, advocates must take note that the state left some homeowners without appropriate solutions. Janet is a survivor and exemplifies the resiliency of many families whose lives were turned upside down by the storm. But her words are a call to action. "If it happened again, a storm like that, the state is not prepared to help us, the poor, the workers. We have never been a priority."

Many residents were still left in debt and financial distress, despite the settlement agreement. Homeowners faced bureaucratic recovery protocols that left them confused and without answers. Some neighborhoods never fully recovered, lost to the storm forever.

As implementation continued, however, thousands of New Jerseyans finally did get long-denied relief. Over 7,000 lower-income families got access to new or rebuilt affordable housing near their pre-storm homes, but in more climate-resilient locations, such as Atlantic City, Jersey City, and Toms River. Approximately 250 homeowners, far more likely to be Black than the homeowners impacted by Sandy as a whole, were finally told they were eligible for funds to rebuild that the State had rejected them for initially. And with improved language access and housing counseling, many families who had been left out of the initial process were able to access the homes and funding created through the settlement.

The settlement also spurred national change. In 2016, five federal agencies, coordinated by the Department of Justice, issued the first-ever

federal civil rights guidance document setting forth civil rights obligations for all recipients of federal disaster recovery funds. This landmark guidance drew on the frameworks of the Sandy settlement and lessons learned from other storms such as Katrina to impose standards for equitable resource distribution and language access on disaster recovery. The Department of Housing and Urban Development (HUD) also incorporated clearer equity standards in its requirements for distributing federal funds, including measures to avoid a repeat of the severe underfunding of renter needs initially seen in Sandy. HUD is currently working on additional revisions to these standards based on lessons learned from Sandy and other storms to address the all-too-frequent storms experienced as a result of climate change. The Sandy complainants have also worked with peer organizations in Florida, Puerto Rico, and Texas to share lessons learned to try to get relief to impacted communities more quickly after storms.

Lessons Learned and the Ongoing Fight for Equity

Due to climate change and its effects on our environment, low-income communities and renters—both of which are disproportionately households of color—are being disparately affected by our changing planet. Research shows that neighborhoods with higher concentration of households made up of people of color tend to not only have lesser protections to combat major storms and the property damage that accompanies them, but also have fewer trees and infrastructure to avoid major flooding.

Moreover, these neighborhoods also have higher concentrations of renters who are not prepared to evacuate their homes if deemed necessary during an imminent natural disaster.⁸ Post-storm gentrification in urban centers is another concern, and has happened in locations like the Ironbound community in Essex County as well as in other regions affected by hurricanes that have displaced predominantly Black and Latinx communities.⁹

The Sandy recovery process highlighted the need for more equitable and efficient disaster relief systems both in New Jersey and across the country. Systemic inequities across multiple systems compound the impact that storms have on communities of color. Language barriers, cultural differences, and an overall mistrust of government add further complexity to recovery efforts after a storm, and often result in many low-income families and communities of color not getting the aid that they need and which they are entitled.

To effectively mitigate the impact of natural disasters on low-income families and communities of color, disaster relief systems must be flexible enough to deliver timely, culturally competent services, based on the needs of the most impacted communities.

Addressing long-standing housing disparities is essential to build resilience among these vulnerable communities to provide further protection after a storm. Implementing policies that promote affordable housing, expand access to capital, and reduce discriminatory practices in the housing market must be prioritized. These proactive measures, if pushed forward around the country, will help strengthen the nation's disaster preparedness and ultimately help ensure equitable relief after disasters.

The fight for equity in disaster relief is far from over. As New Jersey and the nation prepare for future storms, it is imperative to learn from the past and continue to advocate for policies and practices that ensure that all communities, regardless of race or income, have equal access to relief.

1 <https://www.thenation.com/article/environment/10-years-after-sandy/>

2 Data and Charts on RREM and Resettlement Applications by Race and Ethnicity, FSHC

3 <https://www.thenation.com/article/environment/10-years-after-sandy/>

4 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6419501/>

5 https://digitalcommons.odu.edu/cgi/viewcontent.cgi?article=1067&context=healthservices_etds

6 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6419501/>

7 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6419501/>

8 <https://www.thenation.com/article/environment/10-years-after-sandy/>

9 <https://news.climate.columbia.edu/2019/10/03/hurricane-sandy-gentrification-nyc/>



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