November 19, 2024

To: New Jersey Department of Community Affairs - Kia King, Chief of Staff; Sheri Malnak Assistant Director, Division of Housing and Community Resources **From:** Lead-Free NJ Collaborative Steering Committee Chairs

Lead-Free NJ Applauds Final Obligation of \$180 Million to Lead Remediation and Abatement Program, and Shares Suggestions to Spend ARPA Funds Efficiently

On September 17, <u>Governor Murphy announced</u> that the final \$40 million of the \$180 million in American Rescue Plan Act Funds dedicated to the New Jersey Department of Community Affairs (DCA) Lead Remediation and Abatement Program (LRAP) will be obligated to nonprofit organizations and local governments across the state by the end of September 2024. These American Rescue Plan Act funds must be spent by the end of 2026.

Lead-Free NJ thanks the Governor and the DCA for this historic commitment to reducing lead paint exposure and for ensuring that the funds are obligated appropriately. We highly support the DCA's goal to remediate or abate lead paint in 7,200 housing units over the next two years with this funding.

Lead-Free NJ applauds the DCA for funding new and diverse LRAP community-based organizations as LRAP grantees to help reach this goal. There are now over 50 nonprofits and local governments participating in the program. We are pleased to note that new grantees include the Lead-Free NJ community hub in Paterson, Paterson Alliance, and the former Lead-Free NJ community hub in Newark, Newark Water Coalition.

Lead-Free NJ also applauds the DCA's efforts to expand the state's lead contractor workforce and looks forward to learning more about these efforts.

Lead-Free NJ also commends the DCA for making recent improvements to the LRAP program including: easing the enrollment process for clients by reducing required documentation and allowing categorical eligibility; creating an online portal to streamline the application process for the client; allowing separation of Program Support Costs from Average Cost Per Unit; and increasing the percentage of payments available in advance to LRAP grantees from 50% to 90%.

Lead-Free NJ believes that more can be done to ensure that LRAP grantees can spend these funds and reach the households most at risk of lead exposure. *Below is a summary of ideas offered over the past several months from LFNJ partner organizations:*

 Allow Place-Based Eligibility: Enable LRAP program grantees to verify household income eligibility for the program if the household is located within Qualified Census Tracts as designated by the U.S. Department of Housing and Urban Development (<u>guidance available here</u>). Other state and local lead hazard reduction programs funded

- by ARPA are currently using this approach, including the City of Milwaukee, WI. (<u>City of Milwaukee Recovery Plan</u>)
- Increase Income Eligibility: Allow LRAP grantees to enroll some households earning up to 100% of the Area Median Income, who often cannot afford lead hazard reduction services without additional financing.
- Allow LI/RAs to serve as Lead Safe Clearance: Issue guidance on how local
 inspectors supporting compliance with the Lead-Based Paint Inspections in Rental
 Dwelling Units can coordinate with LRAP grantees to complete inspections for lead-safe
 certificates in tandem with dust lead clearance inspections. A LI/RA clearance report
 should suffice as a lead-safe clearance report for purposes of the law.
- Increase Per Unit Caps: Formally increase caps on funding per unit to deliver lead abatement and hazard reduction measures as needed based on lead risk assessment and inspection findings.
- **Invest in High-Performing Agencies:** Establish an easy mechanism to transfer funds from low-performing to high-performing organizations if they are underperforming their benchmarks in adequate time to ensure full spending down of the ARPA allocation.
- Invest in Sustainable Primary Prevention: If funding is being significantly underspent, utilize LRAP funds to invest in a standardized statewide approach for municipalities to enforce Lead-Based Paint Inspections in Rental Dwelling Units. Also, explore using funds to build capacity at municipalities to implement a standardized enforcement approach to create a sustainable primary prevention strategy post-ARPA.

Lead-Free NJ is eager to help DCA advance the program and would like to meet with agency representatives to explore how the collaborative can support the state to expeditiously and successfully spend down this historic \$180 million allocation. We appreciate the urgency created by this timeframe and we look forward to working with you to maximize the impact of this program.

Sincerely,

Debbie Mans, Steering Committee Co-Chair, Lead-Free NJ Rashan Prailow, Steering Committee Co-Chair, Lead-Free NJ Yvette Jordan, Advocacy Coordinating Committee Co-Chair, Lead-Free NJ