

# Multi-Level Funding and Governance of Flood Relocations through New Jersey's Blue Acres Program

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# Research Motivation

**Buyouts** (a type of managed retreat / flood relocation) will be an essential policy option in the climate adaptation playbook.

However, given the **immense complexities in designing, implementing, and participating** in public buyout programs – plus their relatively new usage – there is a **pressing need for documentation and clarity**.

## **Funding & Operations:**

- How are buyout programs funded?
- What are the administrative costs & staffing capacity needs?

## **Program Stipulations:**

- Who is eligible for a buyout?
- How are applications reviewed?
- What other housing assistance or incentives are offered to program recipients?
- What happens to the land after a buyout has occurred?

## **Outcomes:**

- Where have buyouts occurred to date?
- Out of those eligible, who applies for buyouts? Who ultimately receives them?
- How much time does an individual buyout process take on average?
- Who has received buyouts, from a demographic perspective?
- Where did program recipients move to?
- How have buyouts affected municipal finances or demographics?
- How are buyout programs monitored & evaluated, especially from an equity/EJ perspective?

# Buyouts as Climate Adaptation Strategy

There is no one federal buyout program. The majority of buyouts in the U.S. have occurred via **presidential disaster declarations** re flooding →

Congressional appropriations of financial assistance to disaster-affected states

**Spending rules differ** depending on variations in the appropriations (i.e., which federal program the \$ flows through)

- Generally, states are **applicants** – appropriated money is “passed” to states to disburse
- Local governments are **sub-applicants** to states
- Homeowners are **participants**

**Primary federal programs** that have overseen \$ for local buyout programs:

- FEMA Hazard Mitigation Grant Program (HMGP)
- FEMA Flood Mitigation Assistance (FMA) Swift Current
- HUD Community Development Block Grants – Disaster Recovery (CDBG-DR)
- USDA Natural Resources Conservation Service (NRCS) Emergency Watershed Protection (EWP)

Increasingly, state/local governments are considering **non-federal funding options** – looking to NJ as an example

# NJ Blue Acres (1995-present)

Primarily run by Department of Environmental Protection (DEP), with **dedicated staff office: Office of Climate Resilience (OCR)**

- Also: Office of Emergency Management (OEM) → intermediary with FEMA
- Also: Department of Community Affairs (DCA) → intermediary with HUD

Blue Acres provides **full state funding** or the **non-federal cost share** required by federal grants

- Bergen, Morris, and Somerset Counties also sometimes provide funding/oversight for their municipalities

Only municipalities that have entered into an **MOU with DEP OCR** can then make the program available to homeowners

- Different stipulations depending on funding source
- Land must remain as open space in perpetuity

New component: **Smart Move Program** (2023) → HUD CDBG-DR post-Ida grant to DCA

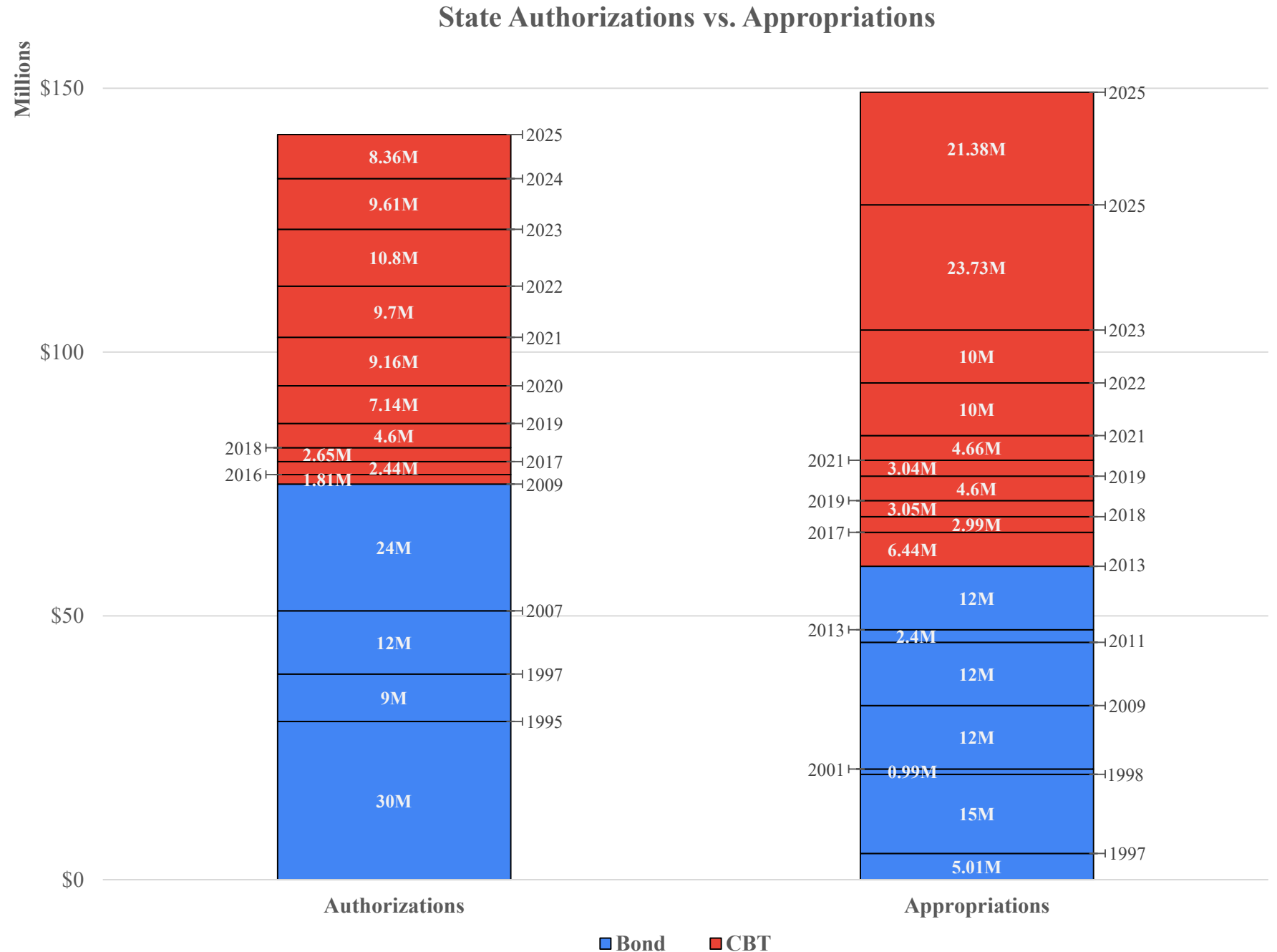
- *Phase 1:* Building climate-resilient, energy-efficient, affordable homes
- *Phase 2:* Will encourage Blue Acres recipients and Ida-impacted renters & first-time buyers to purchase these homes

# NJ Blue Acres

Data manually collected:  
NJ legislation  
(5 authorization laws &  
17 appropriation laws)

Authorizations ≠  
appropriations

- **Authorizations:** provide authority for money to be allocated to a program; often set caps
- **Appropriations:** set the actual allocation amounts

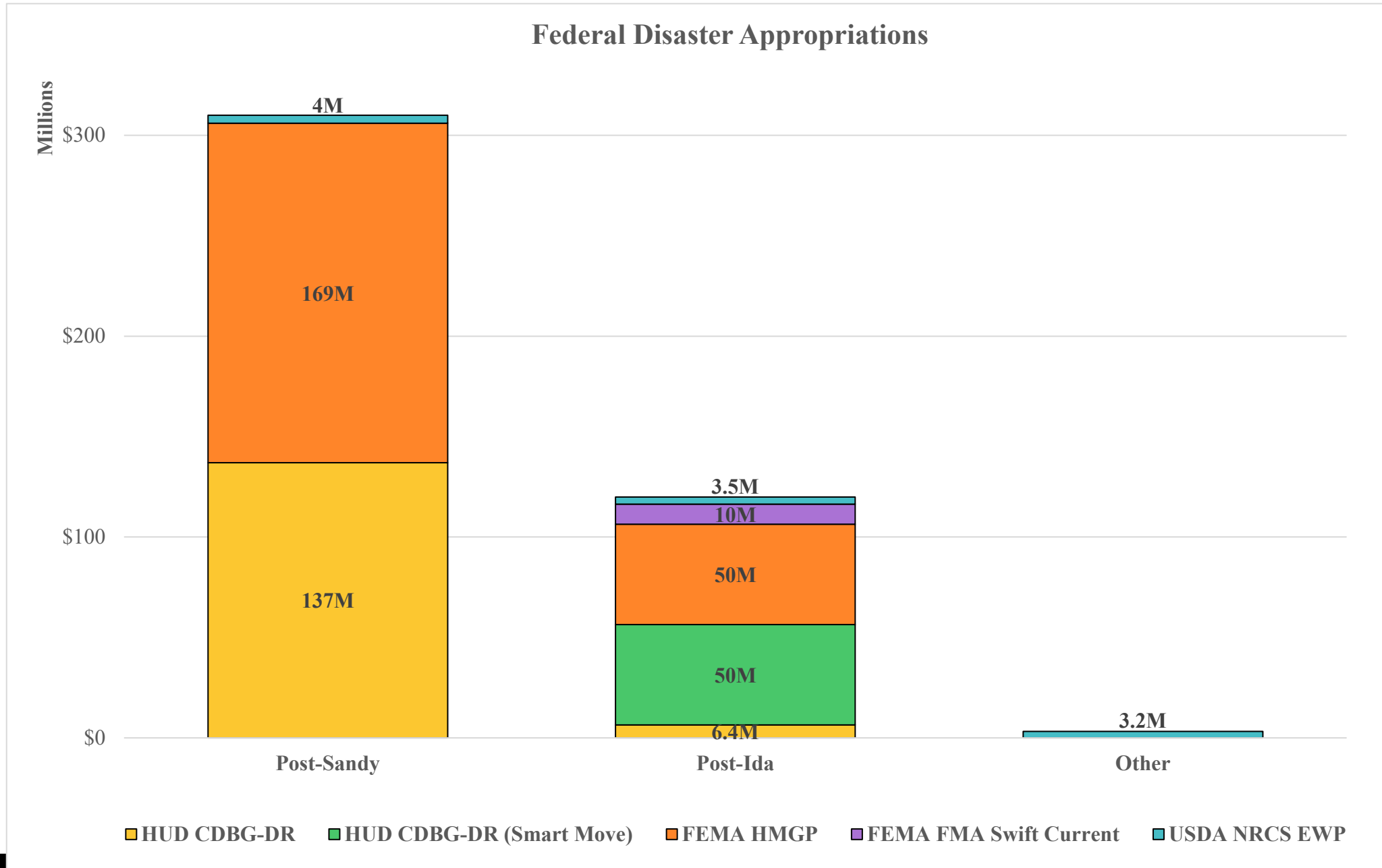


# NJ Blue Acres

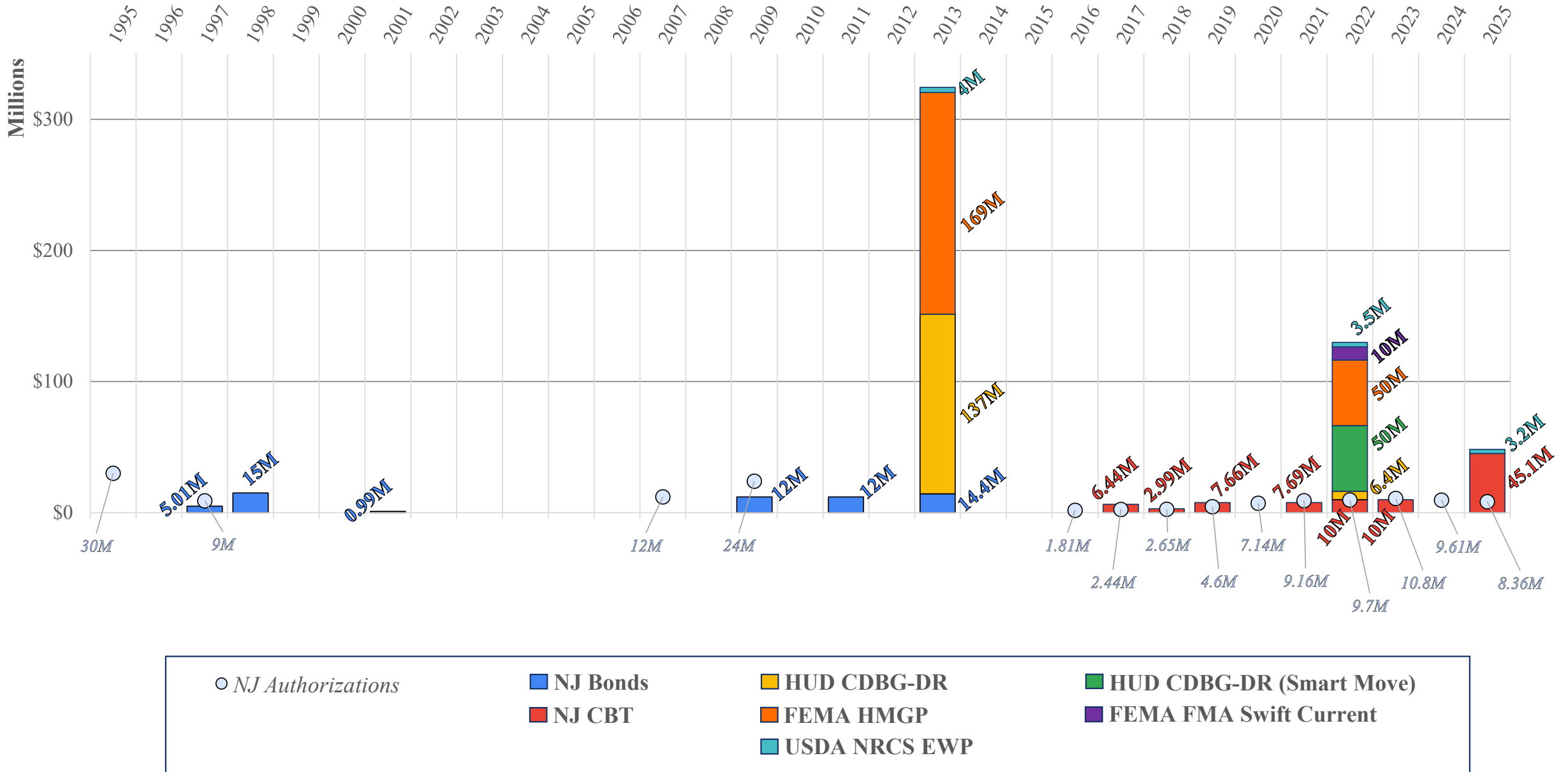
Data manually collected: NJ reports to federal agencies

Federal disaster appropriations often build cumulatively or transfer over several years

- E.g., 16M transferred within HUD CDBG-DR from Sandy to Ida action plans



# State Authorizations & State/Federal Appropriations by Year

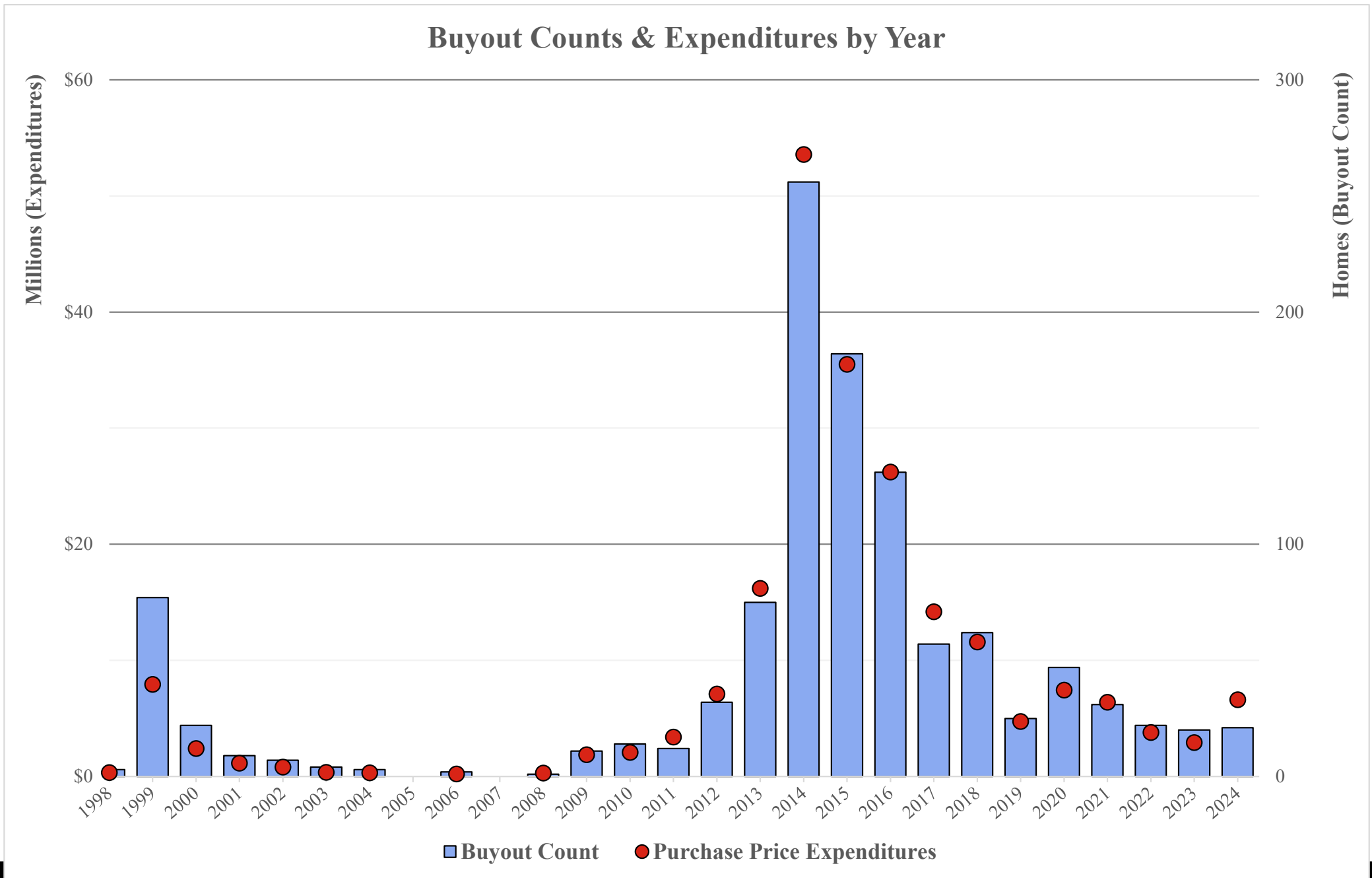


# NJ Blue Acres

Cleaned data from  
NJ DEP OCR

Up to 2024:  
closed on **1,123**  
**properties** for  
total purchase  
price expenditures  
of **\$217.5M**

- Over 80% since  
2013 (post-Sandy):  
926 properties,  
\$189M



# NJ Blue Acres: Financial Summary

Funded by a combination of **post-disaster federal grants (72%)** and **state appropriations (28%)**

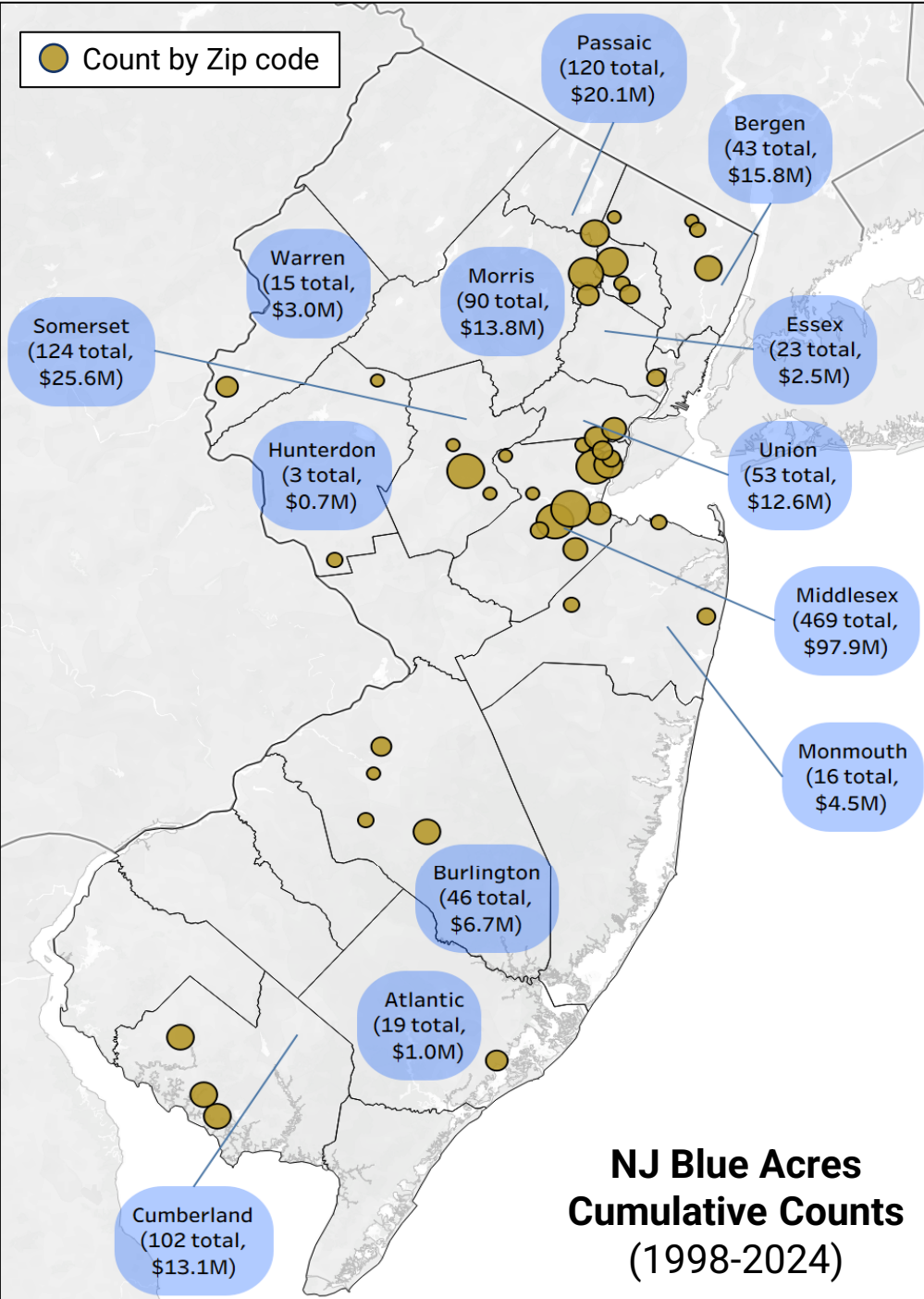
	Up to 2024	Up to 2025
<b>Cumulative Fed Disaster Appropriations</b> <i>(Blue Acres only; not including Smart Move)</i>	\$379,900,000	\$383,100,000 $\Delta$ \$3.2M
<b>Cumulative State Appropriations</b>	\$104,179,500	\$149,279,500 $\Delta$ \$45.1M
<b>Cumulative Purchase Price Expenditures</b>	<b>-\$217,423,633</b>	
<b><i>Total Appropriations</i></b>		<b>\$532,379,500</b>

Current expenditures much less than combined state/federal appropriations, even if just consider up to 2024 when total cumulative appropriations = \$484M)

- Documented expenditures only for closed purchases
- Expenditures extend beyond purchase price (e.g., administrative costs)
- Money still available to spend

Fiscal year of appropriations sometimes misleading

- Two separate state appropriations in 2025 of \$23.7M and \$21.4M → one of them represents 2024 budget (a year when there was no appropriation)



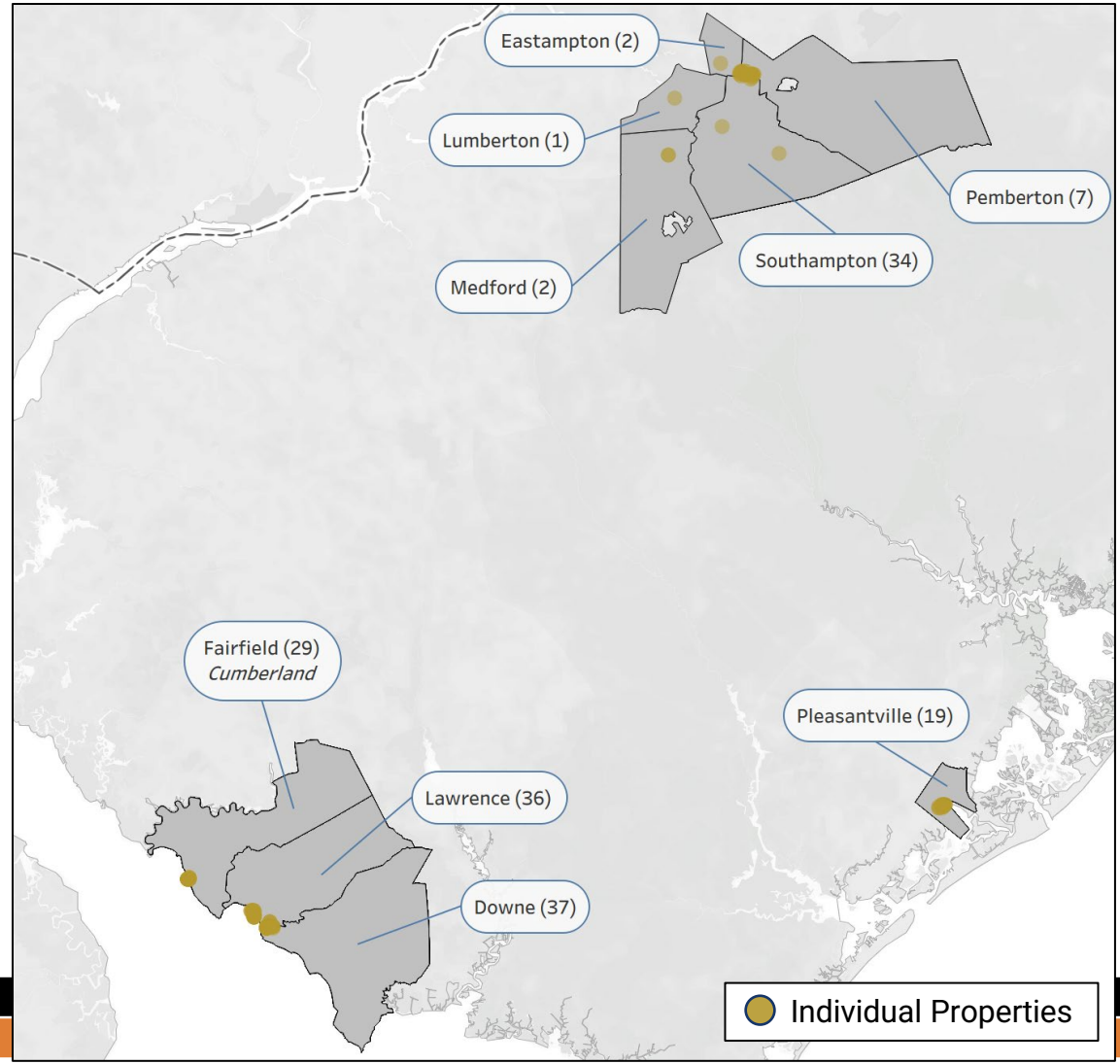
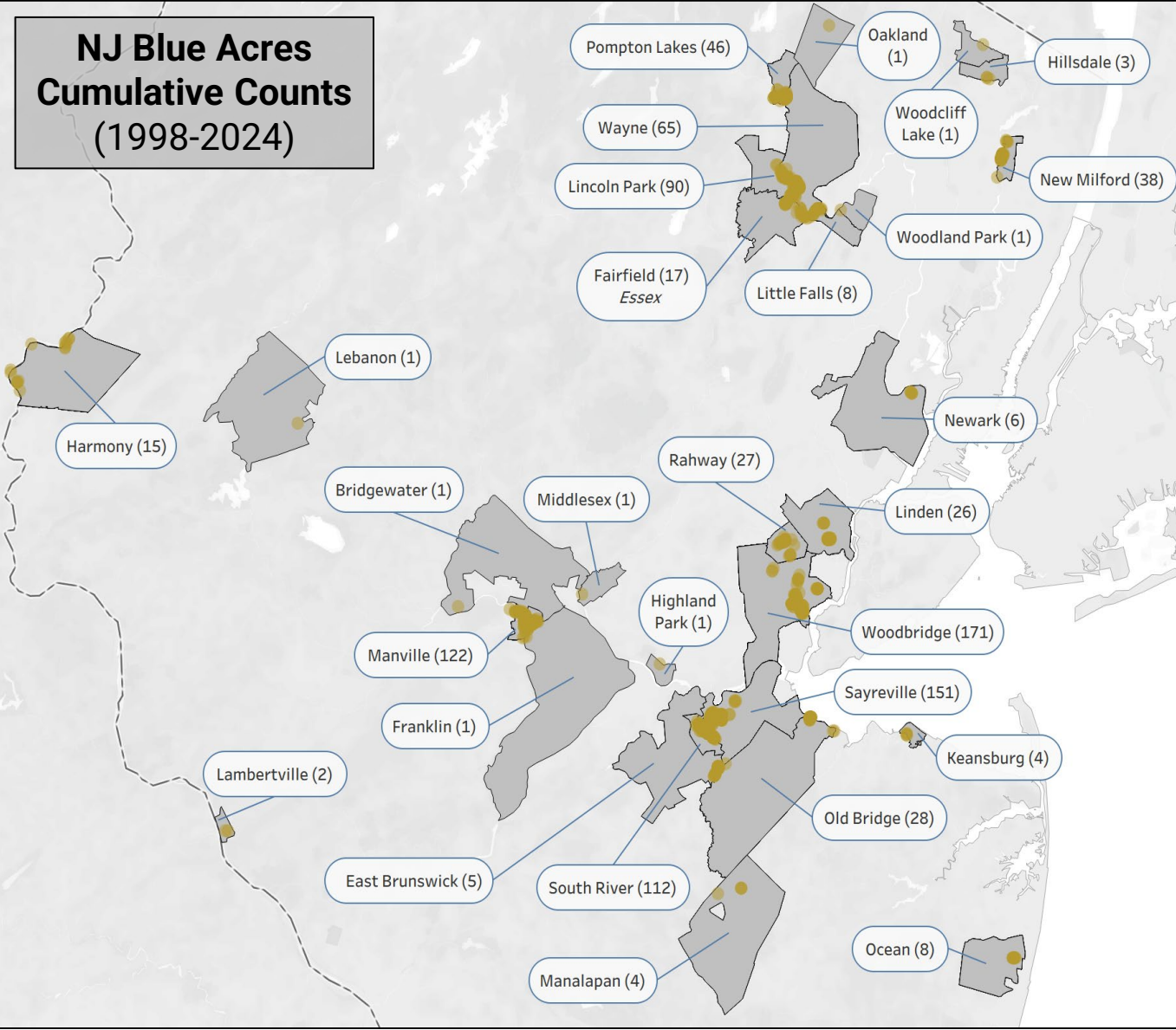
# NJ Blue Acres

Cleaned data from NJ DEP OCR

Some counties have had no buyouts, including Ocean County

- Buyouts have occurred in Ocean Township, *Monmouth County* but not in Ocean Township, *Ocean County* → probable cause of media confusion

# NJ Blue Acres Cumulative Counts (1998-2024)



● Individual Properties

# Flood Relocation Programs in NJ & NY

Government	Program Name	Timeline	Budget Sources
New Jersey	Blue Acres	Long-standing program (1995-present)	<ul style="list-style-type: none"> <li>- NJ state bonds</li> <li>- NJ corporation business tax</li> <li>- Federal grants (HUD CDBG-DR, FEMA HMGP, FEMA FMA, USDA NRCS EWP)</li> </ul>
New York City	NYC Build It Back	Short-term, post-Sandy (2013-2016)	<ul style="list-style-type: none"> <li>- HUD CDBG-DR</li> <li>- NYC revenue (primarily taxes)</li> </ul>
	Resilient Acquisitions – Jewel Streets Pilot	Pilot launched in Oct 2025	- HUD CDBG-DR
New York State	NY Rising	Short-term, post-Sandy (2013-2018)	- HUD CDBG-DR
	Blue Buffers	New, permanent program (2024-present)	- NY state bonds
	Roadmap for Visioning Managed Retreat	<i>Planning process currently occurring</i> (consultant contract executed Dec 2025)	<ul style="list-style-type: none"> <li>- FEMA FMA</li> <li>- NYS Oceans and Great Lakes Program budget</li> </ul>

## NJ Blue Acres: Datasets Summary

Category	Sub-Category	Key Data Needed	Program Data Description	Data Gap
Funding & Operations	Funding Sources	Program appropriations	- Data manually extracted from state appropriations and federal disaster reports	Improved
		Funding source by purchased home	- DEP Open Space dataset contains relevant data column, but inconsistent data - Instead, locations could potentially be matched by disaster declaration	Partial
	Administrative Costs	Non-programmatic expenses	- Legislative docs often not specific; need information from DEP OCR program office	Missing
	Staff Capacity	Size of program office (FTEs)	- Need information from DEP OCR program office	Missing
		Staff involvement per participant household	- Need information from DEP OCR program office	Missing

## NJ Blue Acres: Datasets Summary

Category	Sub-Category	Key Data Needed	Program Data Description	Data Gap
Program Stipulations	Eligibility	Household/area eligibility	<ul style="list-style-type: none"> <li>- Varies by specific funding source</li> <li>- Municipality must enter into MOU with DEP OCR for household participation</li> </ul>	Improved
	Housing Appraisal	Home value appraisal calculations	<ul style="list-style-type: none"> <li>- Varies by specific funding source: pre-storm or post-storm FMV</li> <li>- Additional acquisition/demolition costs as identified</li> </ul>	Partial
	Relocation Incentives	Types of included relocation incentives	<ul style="list-style-type: none"> <li>- Additional aid for “safe housing”, lower risk relocations based on financial need</li> <li>- Eligibility to purchase affordable housing via the Smart Move program (down payment assistance based on financial need)</li> <li>- Occasional municipal-specific retention incentives</li> </ul>	Partial
	Land Use	Land use restrictions post-buyout	<ul style="list-style-type: none"> <li>- Land preserved as open space in perpetuity</li> </ul>	Improved

## NJ Blue Acres: Datasets Summary

Category	Sub-Category	Key Data Needed	Program Data Description	Data Gap
Outcomes	Participant Locations	Addresses, lots, and/or shapefiles	- Dataset available upon request from DEP OCR - But several challenges: (1) Clear address errors needed cleaning; (2) Address and lots only – no shapefiles; (3) Inconsistencies with DEP Open Space dataset	Improved
		Pre/post property parcels	- Geospatial file from NJ OGIS - Does not always clearly match with DEP buyout data due to land use change	Partial
	Participant Applications	Participant application dates	- Need information from DEP OCR	Missing
		Property closure dates	- Dataset available upon request from DEP OCR (see above for data challenges)	Improved
		# participants out of total applicants	- Need applicant data from DEP OCR	Missing
		# participants out of total damaged properties	- Need damaged property data from DEP OCR	Missing
	Participant Demographics	Household demographics	- Likely does not exist; could potentially be derived via address records	Missing
	Participant Relocations	Relocation addresses or municipalities	- Likely does not exist; could potentially be derived via public deed information	Missing
	Municipal Impacts	Pre/post municipal tax bases	- Dataset could be manually extracted from NJ Department of Community Affairs	Partial
		Pre/post municipal demographics	- <i>Estimated</i> data can be retrieved from Census Bureau ACS 5-year estimates	Partial
Equity/EJ Objectives	Commitments & tracking on equity/EJ	- Largely dependent on specific funding source; details not always made explicit - Potential future tie-ins to Mt Laurel Doctrine’s LMI housing obligations or the EJ Law’s “overburdened communities” definition	Partial	

# Relocation Programs: Takeaways

**#1:** General movement from ex-post, short-lived programs spun up after a disaster → **permanent, blue-skies programs**

- But climate resilience funding, situated within emergency management, is still primarily tied to **federal post-disaster aid**
- Different funding sources lead to variation in operations, program stipulations, and outcomes

**#2:** Historical and current programs' **administrative opacity is remarkably high**

- Program complexity heightened by substantial data gaps and inconsistencies/errors in reporting

**#3:** Data gaps and lack of transparency lead to **unnecessary administrative burden** on sub-applicants (*local government staff*) and participants (*homeowners*)

- Local government staff, neighborhood leaders, and households unlikely to have the time & know-how to fully navigate
- **Learning costs** → burden of learning about the program's existence
- **Compliance costs** → burden of complying with application requirements in order to participate in the program
- **Psychological costs** → burden of potential harm from hosting (*gov officials*) or opting into (*homeowners*) the program

**#4:** Equity and EJ goals unlikely to be achieved without *intentional* design and M&E

# Thank You

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