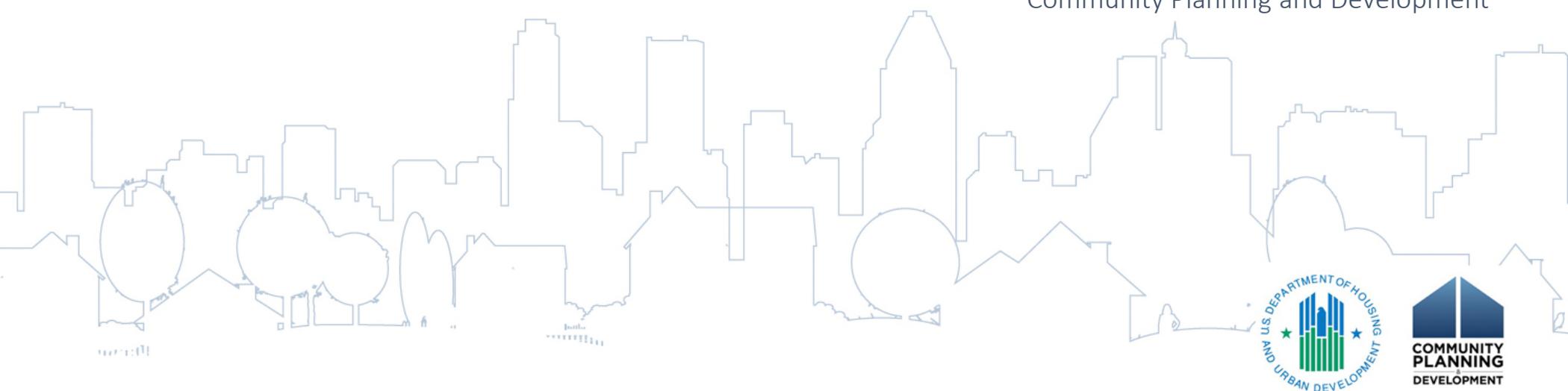


Community Development Block Grant Disaster Recovery

CDBG-DR Overview

October 20, 2017

U.S. Department of Housing and Urban Development
Community Planning and Development



Funding and Management

CDBG-DR Grant Portfolio

108 Grants

- \$54.7 Billion in Active Grants

58 Grantees

- 31 States
- 27 Local Governments

Management of Disaster Grants

HUD Headquarters

- Manage large grants (LA, MS, TX, NY, NJ, IA, NYC, Lower Manhattan Dev. Corp)

HUD CPD Field Offices

- Manage all other grants



Funding

Congress has appropriated the following CDBG Disaster Recovery Funding:

- FY 2017 - \$7.4 billion to assist recovery from Events in 2017
- FY 2017 - \$400 million to assist recovery from Events in 2015, 2016, & 2017
- FY 2016 - \$1.805 billion to assist recovery from the Louisiana Floods and other Events in 2016
- FY 2016 - \$500 million to assist recovery from the Louisiana Floods and other Events in 2016
- FY 2016 - \$300 million to assist recovery from Hurricane Joaquin, Hurricane Patricia, and other flood events occurring in 2015
- FY 2013 - \$16 billion to assist recovery from Hurricane Sandy including Rebuild by Design, and National Disaster Resilience. (\$15.18 billion after sequester)
- FY 2012 - \$400 million to assist recovery from multiple disasters occurring in 2011
- FY 2010 - \$100 million to assist recovery in areas affected by severe storms and flooding from March 2010 through May 2010
- FY 2008 - \$6.1 billion to assist recovery from all 2008 disasters, including Hurricanes Ike, Gustav and Dolly
- FY 2008 - \$300 million to assist recovery from the Midwest floods
- FY 2008 - \$3.0 billion to supplement the LA homeowner assistance program
- FY 2006 - \$16.7 billion to assist the victims of Hurricanes Katrina, Rita, and Wilma
- FY 2005 - \$150 million to assist recovery from multiple disasters
- FY 2002 - \$2.783 billion to assist post-September 11th New York City's recovery efforts
- FY 2001 - \$700 million to assist post-September 11th New York City's recovery efforts
- FY 1999 - \$20 million to assist recovery from multiple disasters
- FY 1998 - \$130 million to assist recovery from multiple disasters
- FY 1997 - \$500 million to assist recovery from upper Midwest floods
- FY 1996 - \$50 million to assist recovery from multiple disasters
- FY 1995 - \$39 million to assist with recover from the Oklahoma City bombing
- FY 1994 - \$180 million to assist with recovery from Tropical Storm Alberto
- FY 1994 - \$225 million for the Northridge Earthquake
- FY 1994 - \$425 million for the recovery from the earthquake in Southern California and Midwest Floods
- FY 1993 - \$85 million to assist with recovery from Hurricanes Andrew, Iniki, and Typhoon Omar

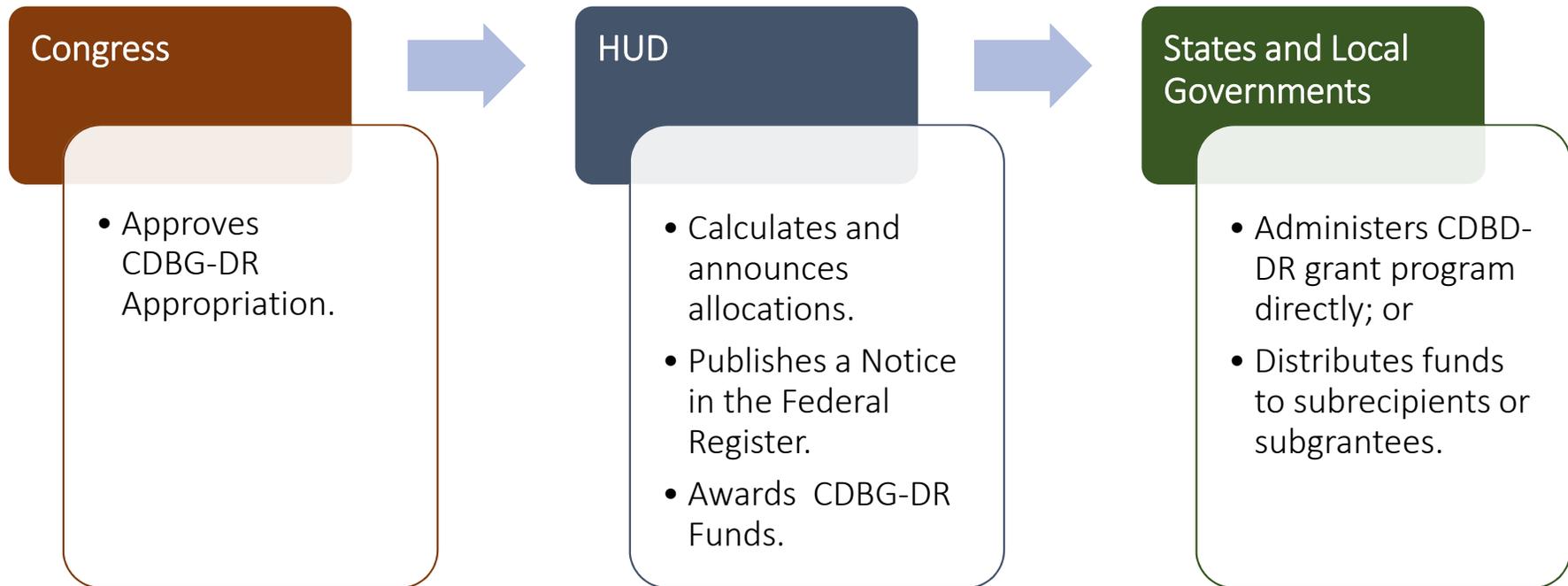


CDBG-DR Recovery Process

4 October 20, 2017



The Disaster is Presidentially Declared



Why HUD and CDBG?

- HUD administers Community Development Funds
- Managing Disaster Grants since 1992
- Flexibility of the CDBG Program
 - Waivers and alternative Requirements



CDBG-DR: Appropriation – Not a Program

- No annual appropriation for CDBG-DR
- Statutory authority is via individual supplemental appropriations
- CDBG Regulations apply, unless modified by Federal Register Notice.



HUD and CDBG-DR Grantees Roles and Responsibilities

8 October 20, 2017



HUD CDBG-DR Role and Responsibility

- Review CDBG-DR Action Plans and manage CDBG-DR funds
- Provide CDBG-DR grantees with guidance and technical assistance
- Monitoring CDBG-DR grantees to ensure performance and compliance



CDBG-DR Grantee Role and Responsibility

- Design and implement recovery programs to meet unmet recovery needs
- Establish internal controls to ensure performance and compliance; monitor subrecipients
- Provide technical assistance to subgrantees and subrecipients



CDBG-DR Grantee Role and Responsibility

- Review project applications to ensure that all activities are eligible
- Ensure that activities are compliant with all other requirements such as Section 3 and affirmatively furthering fair housing
- Track progress to ensure timely recovery



Action Plan Process

Grantee creates, publishes, and submits CDBG-DR Action Plan

Citizens review and comment on CDBG-DR Action Plan

HUD reviews and accepts CDBG-DR Action Plan

Grantee implements activities and draws funds



Eligible Use of CDBG-DR Funds



CDBG-DR Appropriation Laws

- CDBG-DR funds must be used for:

“...necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization...”



CDBG-DR Requirements

- Each CDBG-DR activity must:
 - Address a disaster-related impact (direct or indirect) in a Presidentially-declared county for the covered disaster
 - Be a CDBG eligible activity
 - Meet a CDBG national objective



Recovery Activities

- Disaster-related activities are those that are able to demonstrate a logical connection between the impacts of the covered disaster and the activity's contribution to community recovery.
- Examples:
 - Rebuilding homes and infrastructure damaged by the disaster
 - providing assistance to affected business owners



Housing Recovery

Description

Activities that lead to restoring and improving the housing stock.

Examples

- New construction
- Rehabilitation/reconstruction
- Single family or multifamily
- Owner or rental



Eligible Restoration of Infrastructure

Description

Activities that rebuild or replace impacted infrastructure.

Examples

- Road and Bridge Repair
- Water & Wastewater Facilities
- Limited flexibility for “buildings for the general conduct of government”



Economic Development

Description

Activities that serve to address job losses, impacts to tax revenues, and impacts to business.

Examples

- Job training and workforce development
- Loans and grants to businesses
- Improvements to commercial/rental districts



Demonstrating Tie to the Disaster

- The entity responsible for the recovery activity must document how its:
 - Addressing a disaster-related impact
 - Restoring housing, infrastructure, or the economy



Ineligible Use of CDBG-DR Funds



Caution

Ineligible CDBG-DR Activities

- Activity does not respond to an identified disaster-related impact
- Restriction(s) in the appropriation laws
- Activity is ineligible per the CDBG regulations (and a waiver has not been granted)
- Activity fails to meet a CDBG national objective



Preparedness and Mitigation

- Mitigation or preparedness activities that are not part of rebuilding efforts are generally ineligible as CDBG-DR recovery activities.
- Other federal agencies provide funds specifically for mitigation and preparedness
 - Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program



Preparedness and Mitigation

- Exclusively preparedness and mitigation measures that are not part of a rebuilding and recovery effort are generally connected only to a future disaster.
 - Adding preparedness and mitigation into the rebuilding of facilities is encouraged.
 - The goal is to be safer and stronger.



Equipment

- Purchasing equipment is typically an ineligible activity
- When may the purchase of equipment be CDBG eligible?
 - Fire protection equipment if considered to be an integral part of a public facility
 - Equipment that constitutes all or part of a public service
 - Equipment that is attached to a structure, and becomes an integral fixture



Waivers and Resources

26 October 20, 2017



Waivers

- The Secretary may provide waivers or specify alternative requirements if such waiver is not inconsistent with the overall purpose of Title I of the Housing and Community Development Act of 1974.
- The Secretary may not waive requirements related to fair housing, nondiscrimination, labor standards, and the environment.



Resources

- CDBG Disaster Recovery website:

<https://www.hudexchange.info/programs/cdbg-dr/>

- Supplemental Appropriations and Federal Register Notices

<https://www.hudexchange.info/programs/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/>

- CDBG-DR grantees
- HUD CPD representatives

