

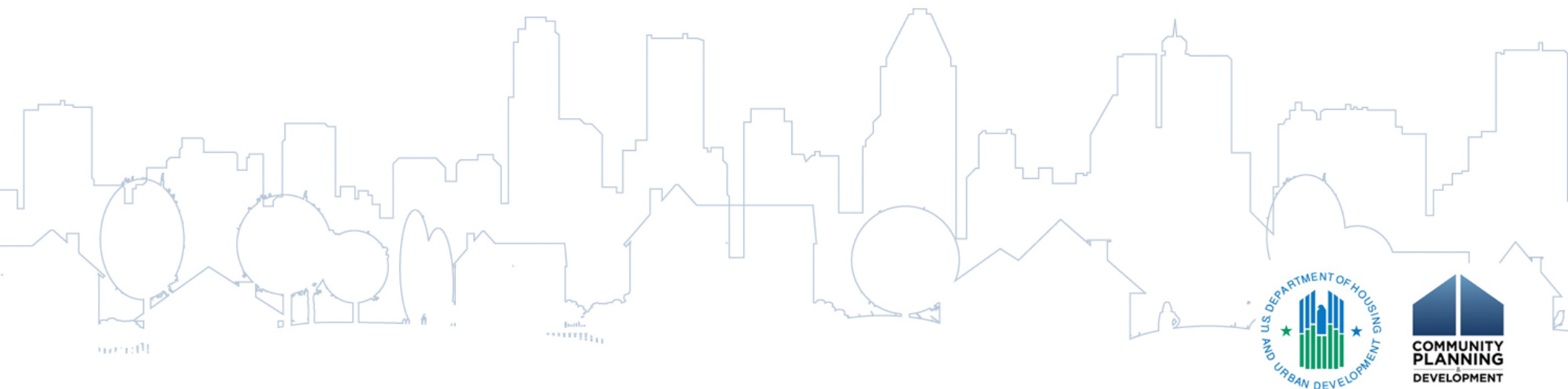
# Community Development Block Grant Disaster Recovery

## CDBG-DR Overview

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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

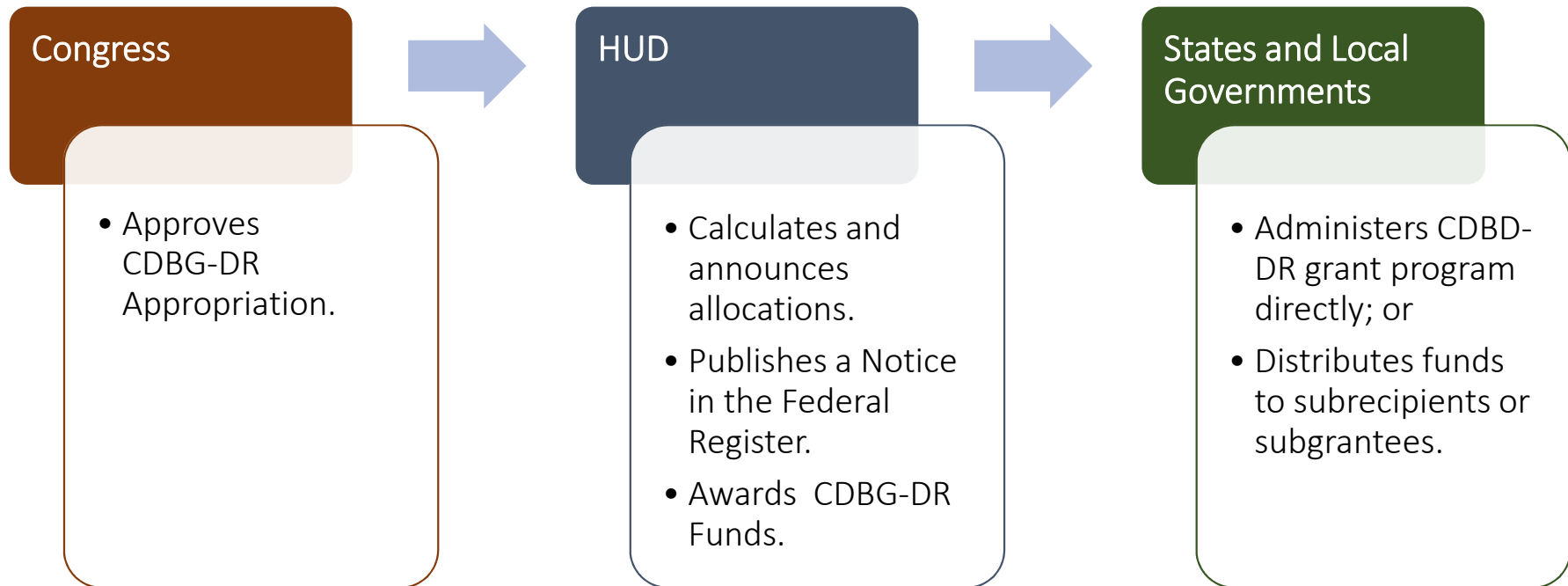


# CDBG-DR Recovery Process

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# 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
- **Result:** No regulations specific to disaster recovery



# HUD and CDBG-DR Grantees Roles and Responsibilities

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# 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

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# 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

