CDBG-DR Overview

U.S. Department of Housing and Urban Development (HUD)

Disaster Recovery & Special Issues (DRSI)

September 2022



Presentation Goals

- Provide a basic understanding of Community Development Block Grant disaster recovery (CDBG-DR) funding
- Describe how CDBG-DR and CDBG-MIT work including:
 - Current Funding Amounts
 - Allocation Process
 - Roles and Responsibilities
 - Eligible Activities
- HUD's Resilient Building Codes Toolkit





HUD Helping Communities Recover



The Disaster is Presidentially Declared

Congress

Approves
 CDBG-DR
 Appropriation.

HUD

- Calculates and announces allocations.
- Publishes a Notice in the Federal Register.
- Awards CDBG-DR Funds.

States and Local Governments

- Administers
 CDBG-DR grant
 program directly;
 or
- Distributes funds to subrecipients or subgrantees.

Why HUD and CDBG?

- HUD administers Community Development Funds
- Managing Disaster Grants since 1992
- Flexibility of the CDBG Program
 - 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 (HCDA).
 - The Secretary may <u>not</u> waive requirements related to fair housing, nondiscrimination, labor standards, and the environment.





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 or published on HUD's website.
 - FR Notice outlines what a grantee can do and identifies regulations or statute that HUD waived specific to that appropriation





Purpose of CDBG-DR Funds

- Focuses on long-term recovery efforts
- Addresses unmet needs that other federal programs have not addressed yet
- Funds SUPPLEMENT and fill remaining gaps
- CDBG-DR cannot SUPPLANT other federal funds





Purpose and Scale of CDBG-DR

CDBG-DR funds must be used for:

"...necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization, and mitigation in the most impacted and distressed areas resulting from a qualifying disaster..."

\$95.5 billion allocated by Congress

\$84.1 billion in active grants

64 Grantees

163 active grants

HUD's CDBG-DR Roles and Responsibilities

- Create Federal Register notices that govern each appropriation
- 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's Roles and Responsibilities

- 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





Action Plan Process

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

Public review and comment on CDBG-DR Action Plan HUD reviews and approves CDBG-DR Action Plan Grantee implements activities and draws funds





CDBG-DR Requirements

- Each CDBG-DR activity <u>must</u>:
 - Address a disaster-related impact (direct or indirect) in a
 Presidentially-declared area for the covered disaster
 - Be a CDBG eligible activity
 - Meet a CDBG national objective
 - 70% of CDBG-DR funds must benefit low- and moderate-income persons or areas



Recovery Activities

 Disaster-related activities are those that 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 for disaster-impacted business owners

Demonstrating Tie to the Disaster

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

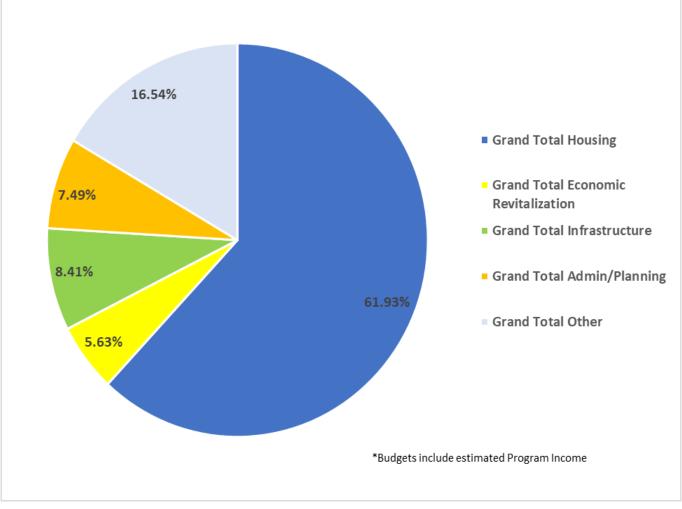




Funded Activities:

Typical budget allocations and recovery activities among existing CDBG-DR grantees

Activity Budget Allocations for 2013 SDY, 2015 SOF, 2016 LTW and 2017 HIM Appropriations



"Other" includes the following activity types: Acquisition – general; Acquisition, construction, reconstruction of public facilities; Capacity building for nonprofit or public entities; Clearance and Demolition; Code enforcement; Construction of buildings for the general conduct of government; Debris removal; Public services; Rehabilitation/reconstruction of other non-residential structures; Rehabilitation/reconstruction of public facilities

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

Green and Resilient Building Standards for 2020 and 2021 grants

- Applies to all new construction and reconstruction of housing.
- Grantees must pick both a Building Standard and an Energy Efficiency Standard.

Green and Resilient Building Standards

Building Standards

- Enterprise Green Communities;
- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development);
- ICC-700 National Green Building Standard Green+ Resilience;
- Living Building Challenge; or
- Any other equivalent comprehensive green building program acceptable to HUD.

Energy Efficiency Standards

- ENERGY STAR (Certified Homes or Multifamily High-Rise);
- DOE Zero Energy Ready Home;
- EarthCraft House, EarthCraft Multifamily;
- Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS), International Passive House Association;
- Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole Building label);
- Earth Advantage New Homes; or
- Any other equivalent energy efficiency standard acceptable to HUD.

Planning Activities

Grantees may use CDBG-DR or CDBG-MIT funds for planning activities (up to 15 percent of the grant), including but not limited to:

- Regional mitigation planning;
- Development and implementation of modern and resilient building codes and regional land-use plans; and
- Upgrading mapping, data, and other capabilities to better understand evolving disaster risks.

CDBG-Mitigation (CDBG-MIT) Funds

Public Law 115-123 appropriated:

• \$15.9 billion for mitigation activities for CDBG-DR grantees receiving funds for 2015, 2016, and 2017 disasters

Public Law 116-20 appropriated:

• \$186 million for mitigation activities for CDBG-DR grantees receiving funds for 2018 disasters





CDBG-MIT Federal Register Notices

CDBG-MIT funds are for mitigation activities that increase resilience to disasters and eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.

Mitigation Federal Register Notices:

- 84 FR 45838 "Main" CDBG-MIT Notice
- 84 FR 47528 for U.S. Virgin Islands
- <u>85 FR 4676</u> for Commonwealth of Puerto Rico
- <u>85 FR 561</u> for 2018 CDBG-MIT





Reporting and Systems

- Action Plan, Amendments, and performance reports are submitted via the Disaster Recovery Grant Reporting (DRGR) system
- Grantees are required to report to HUD on a quarterly basis
 - Quarterly Performance Report (QPRs)
- This is the method by which grantees drawdown funds
- https://www.hudexchange.info/programs/drgr/





Resources

CDBG-DR Main HUD Page

https://www.hud.gov/program offices/comm planning/cdbg-dr

CDBG-DR Federal Register Notices

https://www.hud.gov/program offices/comm planning/cdbg-dr/regulations

CDBG-DR Reports

https://www.hud.gov/program offices/comm planning/cdbg-dr/reports







CDBG-DR Grantee **Contact Information** (links to Action Plans etc.) https://www.hudexchange.info/pr ograms/cdbg-dr/cdbg-dr-granteecontact-information/#all-disasters

Hurricane Joaquin, Hurricane Patricia, and Other Flood Events Occurring in 2015 (PL 114-113 and PL 115-31)

Hurricane Sandy and Other Disasters (PL 113-2) **Including Rebuild By Design** (RBD)

National Disaster Resilience (NDR) (PL 113-2)

Severe Storms and Flooding (PL 112-55)

Severe Storms and Flooding (PL 111-212)

Midwest Flood Grants (PL 110-

Hurricane Ike Grants (PL 110-329)

Hurricane Katrina, Rita, and Wilma Grants

9/11 Grants

2021 Events (PL 117-43)

Grant Number	Grantee Name	Grant Amount	Point of Contact	Grantee Website
B-21-MF-22-0003	Baton Rouge, LA	\$4,648,000	Tasha Saunders Director Community Planning and Development 222 St. Louis Street Baton Rouge, LA 70802 Phone: 225-389-3039 Email: tssaunders@brla.gov	Grantee Website
B-21-DF-06-0001	California	\$14,761,000	Gustavo Velasquez Director Dept. of Housing and Community Development 2020 W. El Camino Real, Suite 500 Sacramento, CA 95833 Phone: 916-263-2771	Grantee Website
B-21-DF-08-0001	Colorado	\$7,415,000	Dave Bowman Deputy Director Division of Local Government 1313 Sherman Street, Room 323, Denver, CO 80203 Phone: 303-864-7877 Email: Dave.Bowman@state.co.us	Grantee Website

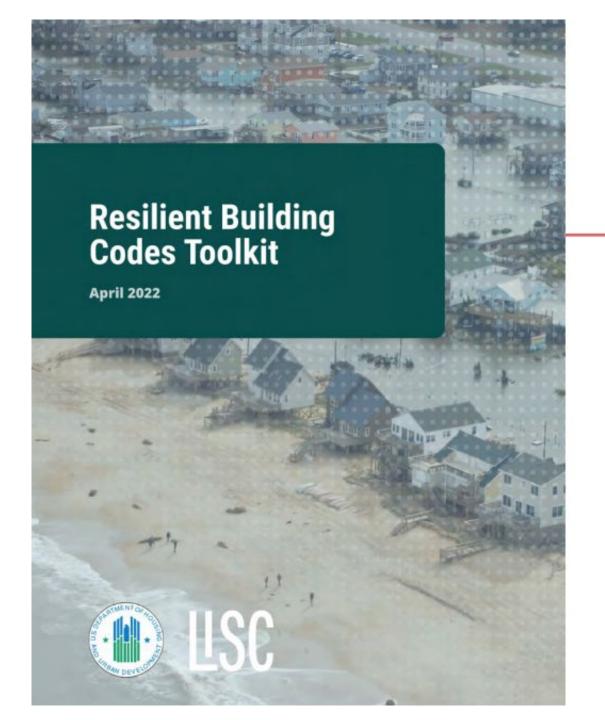




HUD's Resilient Building Codes Toolkit

- https://www.hudexchange.info/programs/cdbg-dr/resilientbuilding-codes/
- Or use: https://bit.ly/3otHykT
 - Complete Toolkit
 - Recorded Webinars
 - Complete slide decks

For more information: DRSIPolicyUnit@hud.gov



Resilient Building Codes and CDBG-DR Funding

This Toolkit aims to help CDBG-DR and CDBG-MIT grantees understand the importance of rebuilding to more resilient codes and higher standards.

The Toolkit:

- makes the business case for resilient codes,
- outlines the local and state processes that grantees can expect to undertake to upgrade their codes, and
- delineates how resilient codes can address different natural hazards

What this Toolkit contains

- BUSINESS CASE OVERVIEW
- 2 NARRATIVE
- 3 CHECKLIST
- 4 STATE-BY-STATE GOVERNANCE SUPPLEMENT
- 5 STATE-BY-STATE PROCESS SUPPLEMENT
- 6 TECHNICAL APPENDIX



Resilient Building Codes Toolkit

April 28, 2022



