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 not 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
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

Action Plan Process
CDBG-DR Requirements

• Each CDBG-DR activity must:
  – 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

“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;
- 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
• 85 FR 4676 for Commonwealth of Puerto Rico
• 85 FR 561 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/](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/programs/cdbg-dr/cdbg-dr-grantee-contact-information/#all-disasters

### 2021 Events (PL 117-43)

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<thead>
<tr>
<th>Grant Number</th>
<th>Grantee Name</th>
<th>Grant Amount</th>
<th>Point of Contact</th>
<th>Grantee Website</th>
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<tr>
<td>B-21-MF-22-0003</td>
<td>Baton Rouge, LA</td>
<td>$4,648,000</td>
<td>Tagha Saunders Director Community Planning and Development 222 St. Louis Street Baton Rouge, LA 70802 Phone: 225-399-3039 Email: <a href="mailto:tssaunders@brla.gov">tssaunders@brla.gov</a></td>
<td>Grantee Website</td>
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<td>B-21-DF-06-0001</td>
<td>California</td>
<td>$14,761,000</td>
<td>Gustavo Velasquez Director Dept. of Housing and Community Development 2020 W. El Camino Real, Suite 500 Sacramento, CA 95833 Phone: 916-263-2771</td>
<td>Grantee Website</td>
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<tr>
<td>B-21-DF-08-0001</td>
<td>Colorado</td>
<td>$7,415,000</td>
<td>Dave Bowman Deputy Director Division of Local Government 1313 Sherman Street, Room 323, Denver, CO 80203 Phone: 303-864-7877 Email: <a href="mailto:Dave.Bowman@state.co.us">Dave.Bowman@state.co.us</a></td>
<td>Grantee Website</td>
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HUD’s Resilient Building Codes Toolkit

- https://www.hudexchange.info/programs/cdbg-dr/resilient-building-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

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