

U.S. Department of Housing and Urban Development

Challenges and Opportunities when Developing an Affordable Housing Program

2021 CDBG-DR & CDBG-MIT Virtual Training Series



2021 CDBG-DR & CDBG-MIT Virtual Training Series- Grantee Led Sessions Welcome

Kevin Bush, Deputy Assistant
Secretary for Grant Programs, U.S.
Department of Housing and Urban
Development



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Introduction

- **Pat Forbes**, Executive Director, Louisiana Office of Community Development



Affordable & Resilient Housing in Louisiana



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Overview

- Designing for climate resilience is critical for affordable housing programs' impact and value.
- Government investment can turn cutting-edge approaches into standard practice and reduce the premium associated with them.
- Siting and designing resilient housing is specific to location, hazards and risk exposure.



2021 CDBG-DR & CDBG-MIT Virtual Training Series

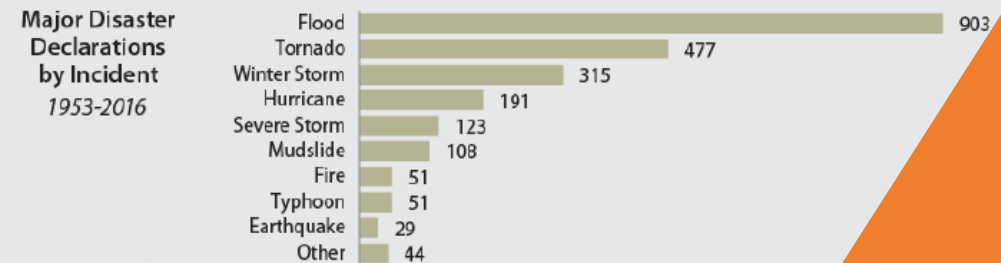
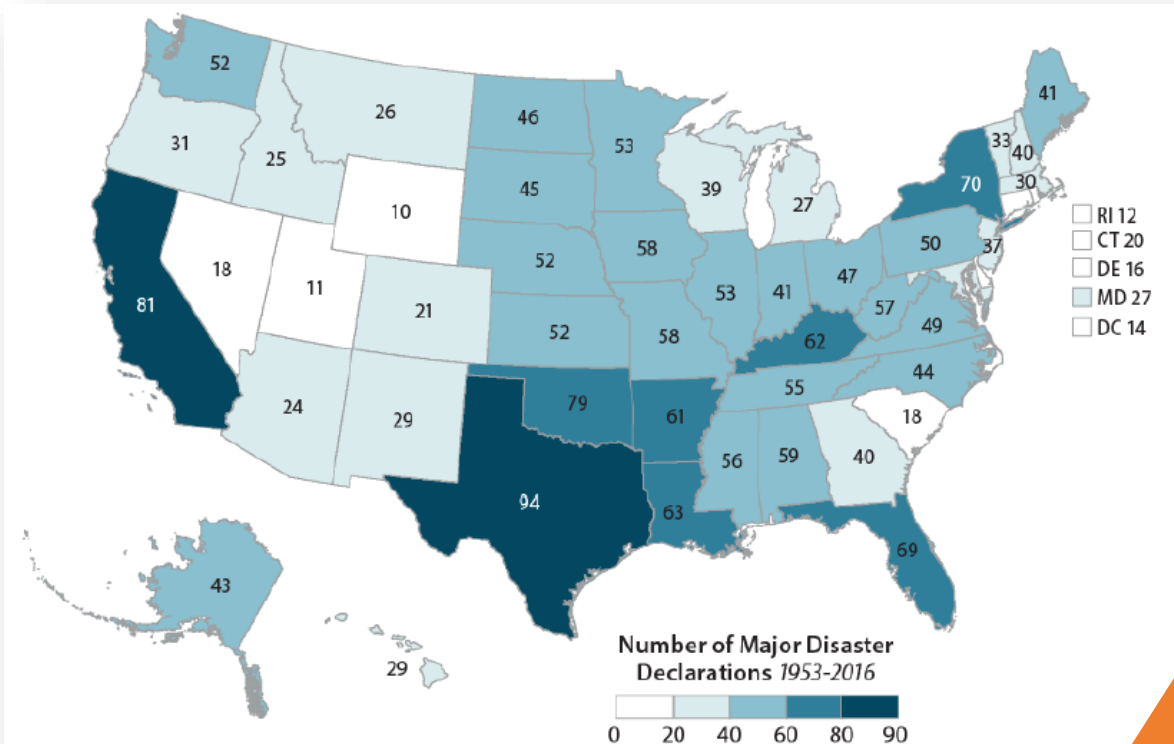


Why Resilience Matters

- Every place has some risk and climate-driven risks are continuing to increase over time
- The long-term financial security of residents of affordable housing developments will, in part, be driven by their exposure to climate risks
- Public sector investment in affordable housing should be the standard bearer for climate resilience



2021 CDBG-DR & CDBG-MIT Virtual Training Series



Source: FEMA.gov/disasters

Financial Benefits of Resilience

Benefits to Residents:

- Reduced future property repair and reconstruction costs
- Reduced additional living expenses (ALE) and other costs of residential displacement
- Lower insurance costs
- Lower maintenance costs
- Reduced costs for health care and well-being



Social Benefits of Resilience

Benefits to Residents:

- Reduced family impact due to displacement, ability to maintain the community fabric
- Improved public-health outcomes, especially deaths, nonfatal injuries and post-traumatic stress disorder
- Fewer job losses and some job creation
- Lower environmental impacts
- Reduced historical and other cultural impacts



2021 CDBG-DR & CDBG-MIT Virtual Training Series



Return on Upfront Investment

Upfront investment returns many times over:

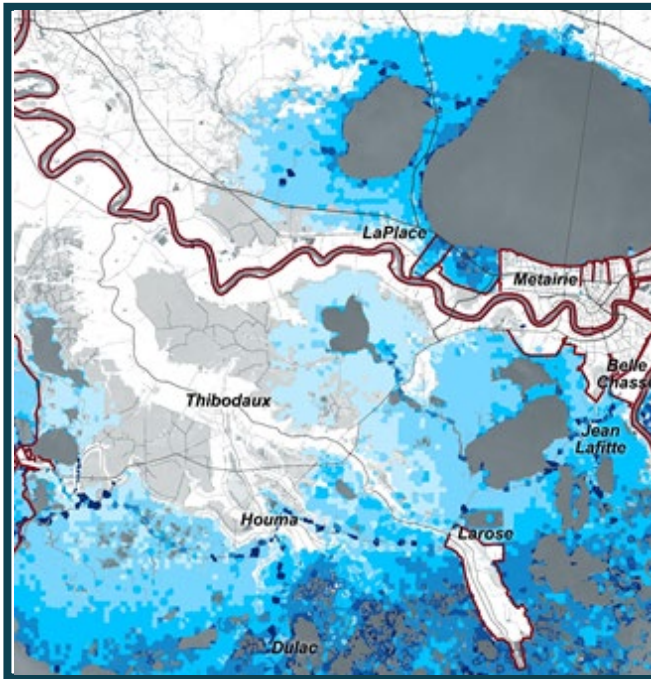
- Every \$0.91 spent on resiliency efforts related to flooding results in a \$4.30 benefit for future flood.
- Initial costs for resilience result in future benefit savings in the event of another disaster.
- Reduction in recovery timeline also saves money, as costs usually rise over time.
- Leverage disaster recovery funding to build resilience for the *next* disaster, while recovering from the current one.

| Mitigation Category | Cost | Benefit |
|--|---------------|----------------|
| Riverine Flood | \$0.91 | \$4.30 |
| Hurricane Surge | \$0.01 | \$0.07 |
| Hurricane Wind | \$0.72 | \$3.80 |
| Earthquake | \$1.16 | \$4.30 |
| Wildland-Urban Interface Fire | \$0.80 | \$3.03 |
| Total for select measures to exceed code requirements | \$3.60 | \$15.50 |



Resilience at Each Scale of the Project

Site Location



Site Design



Construction Materials & Methods



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Isle de Jean Charles

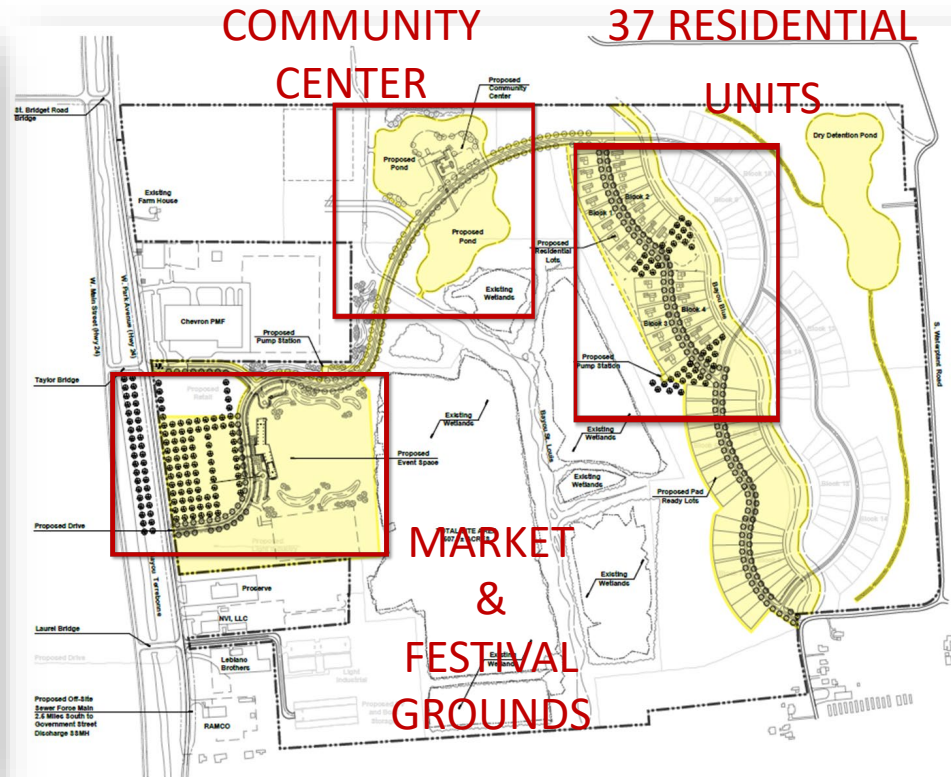
- Island community outside of flood protection system
- Primarily Native American residents
- Island has lost 98% of its land mass to coastal erosion
- 1st federally funded coastal resettlement program
- \$48M through HUD's National Disaster Resilience Competition



Isle de Jean Charles



The New Isle



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Pecan Acres / Audubon Estates

- Resettlement of inland, predominantly African American community with high flood risk
- Residents have opportunity to resettle to reduce their risk but as an entire neighborhood rather than individually as in a typical buy-out program
- Unique partnership with NRCS and parish (county) government to restore the floodplain return the area to wetlands

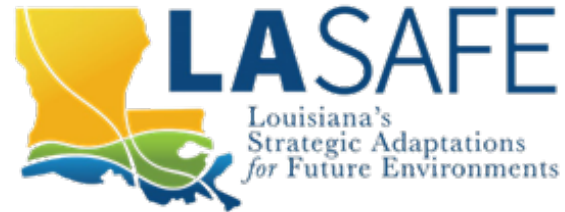
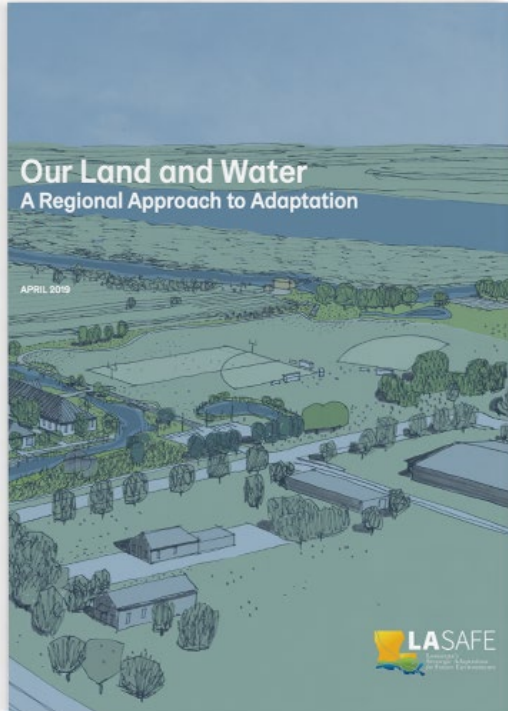


Pecan Acres / Audubon Estates

- Project features FORTIFIED® construction for increased resilience to wind and water
- Site manages stormwater on-site that doubles as outdoor recreation and leisure space
- \$19M for buyouts of current flood-prone homes and development of new, lower-risk community, “Audubon Estates”



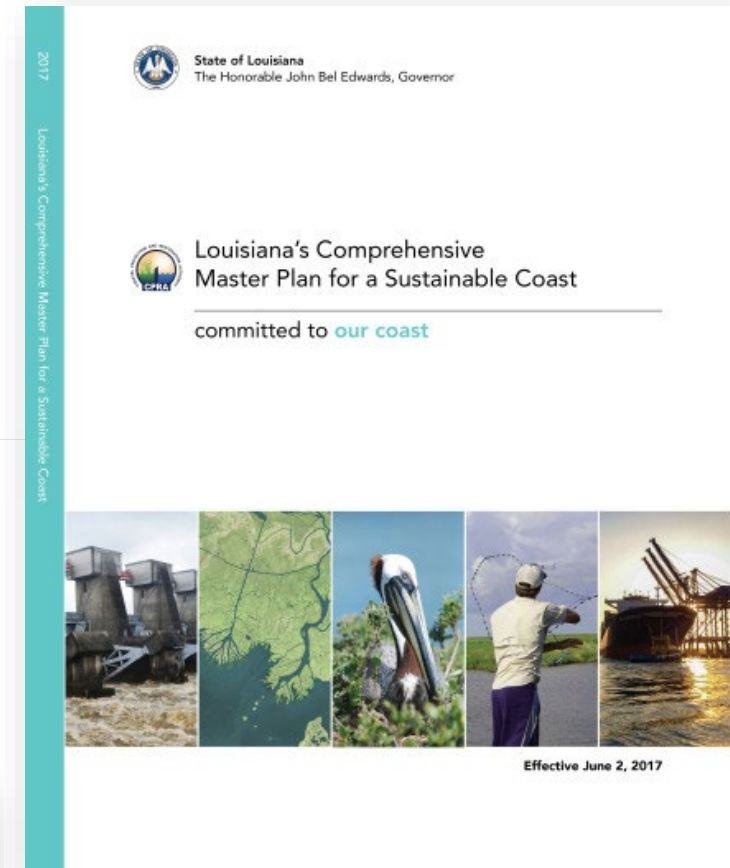
Know Your Climate Risks



LOUISIANA
WATERSHED
INITIATIVE



2021 CDBG-DR & CDBG-MIT Virtual Training Series



Plan for Adaptation with Community

- Transforming our knowledge of risk into action has come through intensive engagement with the public and especially the communities most impacted.
- The projects shown previously all grew out of these sustained planning and engagement efforts.



Incentivize and/or Require Resilience

- We use CDBG-DR funding to incentivize and even require the incorporation of resilient methods, materials and design into our housing programs.
- PRIME is a \$60M CDBG-DR funded program that requires resilient features (blue slide).
- The Lafourche Housing NOFA used scoring criteria that incentivized developers to achieve higher standards.



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Lafourche Parish Resilient Housing NOFA – Exhibit B

Page B-3

| Lafourche Parish NOFA Disaster Resilience and Building Quality Scoring Rubric | | | | |
|---|---|---|---|--|
| Cat. | 10 points | 5 points | 2 points | 0 points |
| c (Disaster Resilience) | Measures are highly cost-efficient both initially, and over time. This should include a basic Benefit-Cost analysis which considers the cost of repair/replacement, lost rents, and other costs which would result without these interventions. | Measures are moderately cost-efficient both initially, and over time. | Measures are cost-efficient initially or over time, but are not cost-efficient initially and over time. | Information does not demonstrate that Measures are cost-efficient either initially or over time. |

Mandatory Disaster Resilience Features

Note some overlap and redundancy...

- Siting (per earlier presentation)
- FORTIFIED Roof (per earlier presentation)
- Enterprise Green Communities—
 - All Mandatory Criteria
 - 50 Optional Points...
- Backflow preventers (§5.4)
- Unit and mechanical elevations (§5.5)
- Flood insurance required (NFIP) (§9.10)

Q & A



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Resources



2021 CDBG-DR & CDBG-MIT Virtual Training Series

Resources

- Isle de Jean Charles Project
 - <http://IsledeJeanCharles.la.gov/>
- Louisiana's National Disaster Resilience Competition Programs
 - <https://www.doa.la.gov/Pages/ocd-dru/Isaac/NDRC.aspx>
- Louisiana Strategic Adaptations for Future Environments (LA SAFE)
 - <https://lasafe.la.gov/>
- Louisiana Watershed Initiative
 - <https://www.watershed.la.gov/>





**THANK
YOU**

HUD Policy Unit, DRSIPolicyUnit@hud.gov



2021 CDBG-DR & CDBG-MIT Virtual Training Series