

U.S. Department of Housing and Urban Development



Overcoming the Biggest Challenges with FEMA Match

2021 CDBG-DR & CDBG-MIT Virtual
Training Series



Introduction

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Background & Overview



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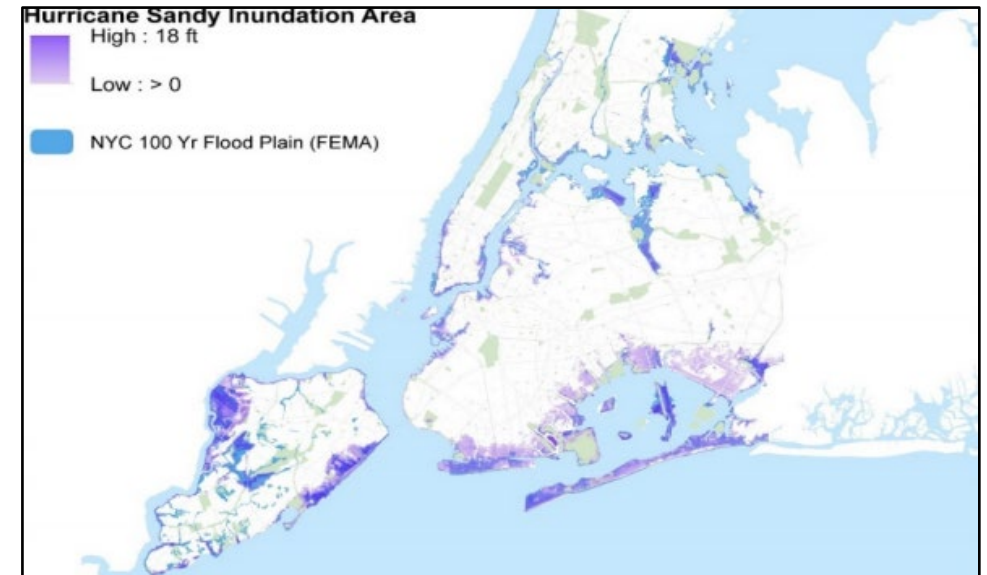
Background

October 29, 2012: Hurricane Sandy landfall

- 51 square miles flooded
- 88,700 buildings inundated
- 10.3% of NYC population in inundation area
- ½ of housing outside 100-year flood plain
- ½ housing in flood plain with insurance
- 2 million New Yorkers without power
- 44 lives lost
- \$19 billion in damages, lost economic activity



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Financial Overview

- \$10.7 billion in FEMA Public Assistance and other Federal funds secured by NYC
 - \$1.8 billion emergency services (expense)
 - \$8.9 billion permanent work (capital)
- \$900 million for FEMA match or otherwise connected to FEMA projects, out of City's CDBG-DR \$4.2 billion
- CDBG-DR match across 54 of 734 FEMA section 403, 406, and 428 Project Worksheets and section 404 Hazard Mitigation Grant Program



What Governs Match?

- March 5, 2013 Register Notice: “... as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible CDBG–DR activity. This includes programs or activities administered by the Federal Emergency Management Agency (FEMA) or the U.S. Army Corps of Engineers (USACE).”
- Duplication of Benefits
- Crosscutting requirements: National Environmental Protection Act (NEPA) and Davis Bacon and Related Acts (DBRA)
- HUD waivers and alternative guidance



Pragmatic Approach

- Coordinated Match/ Now “Flexible Match”
 - FEMA reimburses for % of total
 - HUD wants to know specifically what CDBG-DR spent on
 - Ensure no Duplication of Benefits and no use of CDBG-DR on ineligible costs
 - Apply local match within the project, not on a line-by-line basis
- Differing Program Requirements
 - Entirety of FEMA PA costs may not be eligible for CDBG-DR match
 - If a cost is CDBG-DR eligible and not FEMA eligible, CDBG-DR can pay for it. The grantee must determine that FEMA won't pay for it before paying for it with CDBG-DR.
- In NYC for Sandy
 - 10% local match for FEMA PA
 - 25% match for HMGP
 - no State contribution for match



Challenges and Solutions

- Challenges
 - Timing: HUD deadlines and FEMA flexibility
 - Quantity: can be hundreds of small PWs
 - Match moving target: FEMA PA awards can grow to cover project costs
 - Procurement: standards differ
- Solutions
 - Target certain Cat A and Cat B work as permanent work gets developed
 - Utilize FEMA 428 capped grants for nearer-term large projects
 - Example of DOL letter
 - If construction work ongoing at time of HUD funds identified, Davis Bacon to be applied retroactively into contract



Key Components of Success

Integration of
funding
sources to
address
recovery
holistically

The Three Cs

- Collaborate
- Coordinate
- Communicate

Data and
systems
management



Case Studies



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FEMA Match: Debris Removal

- Following the storm, FEMA coordinated with various agencies to fund debris removal activities (Category A)
- 2.3M cubic yards of debris removed citywide
- \$14.3M FEMA PW for the NYC Dept. of Parks and Recreation
 - \$1.4M in CDBG-DR local match



FEMA Match: Debris Removal

- Sandy recovery coordination through OMB allowed for easy communication between FEMA grants, CDBG-DR grants, and agency budget Task Forces
 - Multi-site, multi-version PW currently in closeout with FEMA
 - CDBG-DR match was pre-award and the centralized coordination within OMB allowed for easy cost tracking against the local match
 - Increased availability of data on changing versions allowed for sufficient monitoring of costs to affirm eligibility
 - Closeout coordination (e.g. shared documentation)



FEMA Match: Rapid Repairs Program

- FEMA PA grant for Sheltering and Temporary Essential Power (STEP) which allowed residents to “shelter in place”
- Innovative program restored heat, hot water, and electricity to 20,000 housing units in <100 days
- Category B emergency work on private homes



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FEMA Match: Rapid Repairs Program

- Coordination with FEMA allowed for CDBG-DR to identify eligible costs to fund
 - Davis Bacon and Paying for CDBG-DR eligible costs (FEMA ineligible costs)
- Documentation collection and organization

Total Project Cost: \$639M

FEMA Claim: \$598M

HUD Funding: \$97.1M



FEMA Match: Rockaway Boardwalk

- 5.6 miles of reconstructed boardwalk elevated out of 100-year flood plain
- In-kind repair and added resiliency for steel-supported concrete deck, erosion control features
- \$480 million FEMA 428 capped grant
 - \$48 million CDBG-DR match



FEMA Match: Rockaway Boardwalk

- Environmental review
 - PL 113-2 allows for CDBG-DR grantees to adapt FEMA review
 - For this project City conducted an Environmental Assessment as HUD grantee with FEMA as cooperating agency
- In procurement process and with contract riders, identified FEMA and CDBG-DR
- CDBG-DR funding applied explicitly to Boardwalk
 - National objective met
 - Local match requirement for FEMA fulfilled
 - Balance of FEMA 428 funds applied to other community projects in the Rockaways



FEMA Match: NYCHA

- \$3 billion FEMA grant
- \$317 million CDBG-DR funds
- Applied to 32 public housing development campuses
- CDBG-DR funds cover design and construction projects on earlier timelines
- Consolidation of grant awards across multiple sites
- Flexibility from FEMA 428 capped grant process



FEMA Match: NYCHA

- Governance
 - CDBG-DR: HUD → NYC (grantee) → NYCHA (subrecipient)
 - FEMA PA: FEMA → NYS DHSES → NYCHA
 - Using grantee/subgrantee relationship to coordinate at City level
- Compliance
 - As public housing authority, NYCHA follows Section 3, Fair Housing, Davis Bacon
 - Here, CDBG-DR grantee adoption of FEMA environmental review
- Innovations
 - CDBG-DR beyond just FEMA match, covering Workforce Development
 - Evolution of uses: original CDBG-DR scope pre-FEMA much narrower



Data & Systems Management



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Grants Management System

- Grants Management System used for both FEMA and CDBG-DR
 - QuickBase web platform
 - Pulls from NYC Financial Management System
 - Primary data source
 - Project management tool
 - Central location for all Sandy material

Agency Name	Agency Code	PW Name	PW Number	FEMA Reference #	
Department of Environmental Protection	826	5100001 - Emergency Measures - STEP - NYC Rapid Repairs	12	NYCSTEP	
Size	Category	Alternate, Improved, or In-Kind Project	Borough	PW Cluster	Project Type
Large	B	In-Kind	Citywide	Buildings and Other Housing	Rapid Repairs
Description					
Contract Costs supporting the City's Rapid Repairs program, providing Temporary Sheltering and Essential Power (STEP) to single family units.					
<input type="checkbox"/> 428 Alternative Procedures Project <input type="checkbox"/> Donor - Scope Moved to 428					
Fiscal Review As Of		Fiscal Review Through			
11-25-2020		Secondary Fiscal Review			

Closeout Version Information

Closeout Goal	2021 Closeout Goal	Closeout Current Queue	Submitted to DHSES	Date PW Locked	PW Closeout Date	EMMIE Status Queue
2020 - Q2		Q08: Under DHSES Review	12-22-2020			

Financial Information

PW Amount	Obligated Amount	Total In Development Amount	Total PA Mitigation Approved Amount	Total Insurance	
\$597,253,322.72	\$537,527,990.45	\$926,616.87	\$0.00	\$0.00	
PW Expenditures	Total PW Breakage	Total PS Cost Offset	Total OTPS Cost Offset		
\$598,179,939.59	\$42,087,136.70				
PW Revenue	FEMA Collected Earned	DR Funded Match Revenue	DR Funded Breakage Revenue	Total Progress Payments Requested	Left to Collect
\$594,258,631.94	\$537,940,357.85	\$56,318,274.09	\$40,811,122		-\$412,367.40



Grants Management System

- Key to success: using the same platform

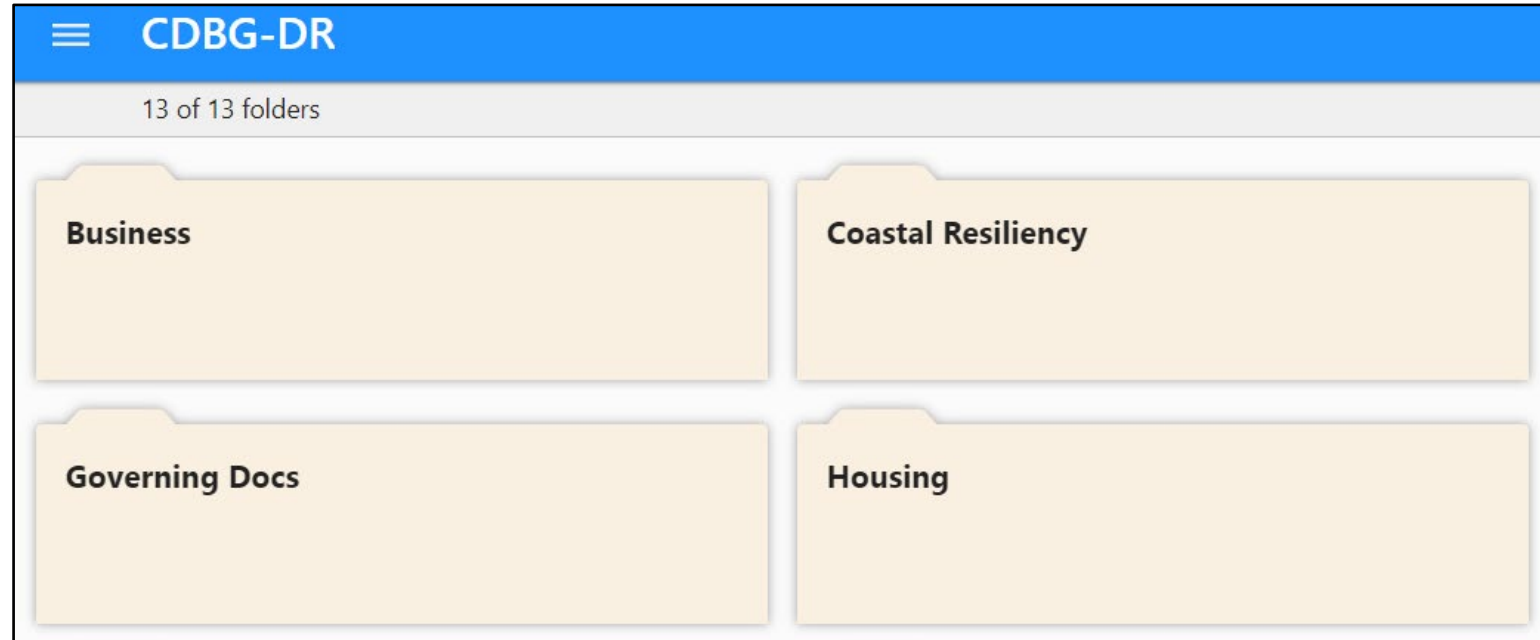
Reimbursements													
Add Reimbursement													
Full Report Grid Edit Email More ▼ 5 Reimbursements													
	Agency Name	Revenue Type	Date of Request	Progress Payment Number	Reimbursement Type	Type of Request	Progress Payment Amount Submitted	Total FEMA Funding Source Amount	Amount of Eligible Costs	Expected Federal Share	Date of Payment	Total Revenue	Dollar Value In Holding Account
(empty) (4 Reimbursements)													
<input type="checkbox"/>	Trust for Governors Island	CDBG-DR				Draw Request				\$143,821.81		\$143,821.81	
<input type="checkbox"/>	Trust for Governors Island	CDBG-DR				Draw Request				\$132,480.00		\$132,480.00	
<input type="checkbox"/>	Trust for Governors Island	CDBG-DR				Draw Request				\$52,906.44		\$52,906.44	
<input type="checkbox"/>	Trust for Governors Island	CDBG-DR				Draw Request				\$190,841.00		\$190,841.00	
TOT							\$0.00	\$0.00	\$0.00	\$520,049.25		\$520,049.25	\$0.00
1 (1 Reimbursement)													
<input type="checkbox"/>	Trust for Governors Island	FEMA	04-30-2020	1	Capital	Progress Payment	\$1,869,716.64	<u>\$1,869,716.64</u>	\$1,869,716.64	\$1,682,744.98		\$0.00	
TOT							\$1,869,716.64	\$1,869,716.64	\$1,869,716.64	\$1,682,744.98		\$0.00	\$0.00
TOT							\$1,869,716.64	\$1,869,716.64	\$1,869,716.64	\$2,202,794.23		\$520,049.25	\$0.00



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Document Management System

- Lessons learned in document management
 - Early system setup!
 - Shared documentation system with modules for both FEMA and CDBG-DR
 - Eye on monitoring and closeout for both grants



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Q & A



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Resources



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Resources

HUD Exchange

- Notice CPD-20-10 (October 14, 2020): Implementation Guidance for Use of CDBG-DR Funds as Non-Federal Cost Share for FEMA's Public Assistance Program

New York City

- Sandy Funding Tracker at www.nyc.gov/sandytracker
- CDBG-DR website at www.nyc.gov/cdbgdr



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

Jennifer Carpenter, Assistant Director of Policy,
Disaster Recovery & Special Issues division, U.S.
Department of Housing and Urban Development



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THANK YOU

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