



National Disaster Resilience Competition

CDBG-NDR

U.S. Department of Housing and Urban Development

Welcome

- Purpose
 - Familiarize you with the contents of the NDRC NOFA at a general level
 - Tell you the schedule and deadlines
 - Provide links to additional information
- Presenters
 - Harriet Tregoning, Office of Economic Resilience
 - Jessie Handforth Kome, Office of Block Grant Assistance



Why should you apply?

- Pursue local physical, social, and economic resilience
- Focus on the most vulnerable populations and sectors and protect them
- Compete and learn with a national cadre of communities
- Broad technical support across Federal granting agencies
- Parallel (and independent) philanthropic effort

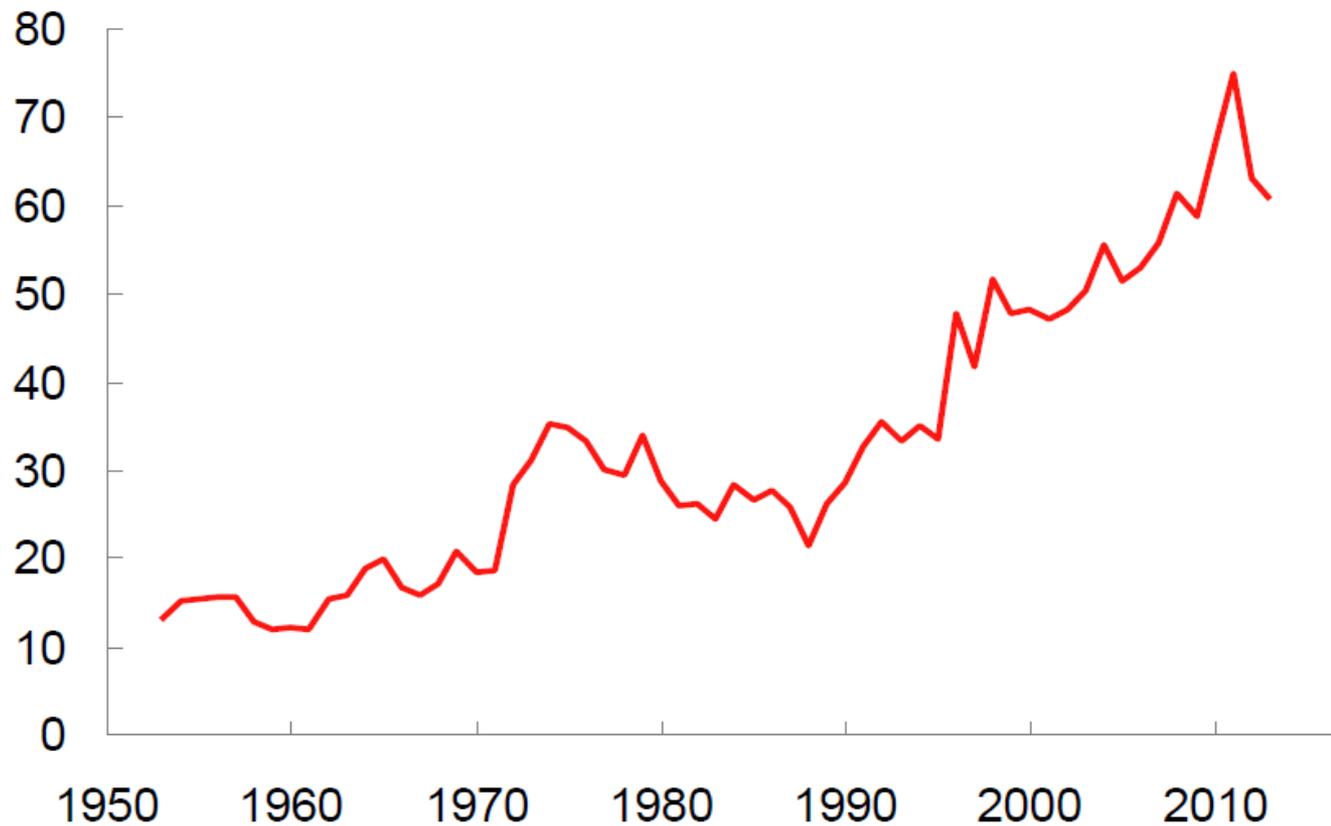


U.S annual disaster declarations rising

(data and slide from FEMA)

Growth in the number of declared disasters

1953-2013 YTD; trailing three year average



What are the Goals?

- To fairly allocate remaining PL 113-2 Community Development Block Grant (CDBG) disaster recovery funds.
- To apply science-based and forward-looking risk analysis to address recovery, resilience, and revitalization needs.
- To leave a legacy of institutionalizing the implementation of thoughtful, innovative, and resilient approaches to addressing future risks.
- To provide resources to help communities plan and implement disaster recovery that makes them more resilient to future threats while improving quality of life and making communities more resilient to economic stresses or other shocks.
- To fully engage stakeholders about the impacts of climate change and to develop pathways to resilience based on sound science.
- To leverage investments from the philanthropic community to help communities define problems, set goals, explore options, and craft solutions.



NOFA Overview

- NOFA
- Appendices
 - A – Program and Post-Award Requirements
 - B – List of Qualified Counties
 - C – Phase 1 and Phase 2 Partner Letter
 - D – Phase 2 Partner Agreement Terms
 - E – Phase 2 Instructions for Requesting Waivers
 - F – Phase 1 and Phase 2 Certifications
 - G - Phase 1 and Phase 2 Most Impacted and Distressed and Unmet Recovery Needs Criteria and Instructions
 - H – Phase 2 Benefit-Cost Analysis Guidance for Covered Projects
 - I – Phase 1 and Phase 2 Consultation Summary
 - J – Phase 1 and Phase 2 Crosswalk Checklist
- General Section



Questions

- Why should you apply?
- What are the Goals?
- Where did the funds come from?
- Why a competition instead of a formula?
- Who may apply?
- How do you apply?
- With whom may you apply?
- What are the thresholds?
- What does this term mean?
- What are the competition evaluation factors?



Questions

- What is your basis for that conclusion?
- How can you be more efficient?
- What will help you get the Phase 2?
- Why is leverage so important?
- Why the emphasis on vulnerable populations?
- What are the Phase 1 deadlines?
- What happens in Phase 2?
- What are the Phase 2 deadlines?
- What triggers a BCA?



Questions

- Is this CDBG or not?
- Why use the CDBG chassis?
- How is CDBG-NDR changed?
- What are the things that must stay the same?
- Any eligibility limits to HCD Act activities?
- Any other eligibility limits?
- What are the details?
- What can you win?
- How can you get technical assistance?



Where did the funds come from?

- Congress appropriated CDBG supplemental funds in Public Law 113-2. After some funds were taken back in a rescission, \$15.2 billion was available
- HUD allocated about \$14.2 billion by formula to areas that were nationally most impacted and distressed by the disasters of 2011, 2012, and 2013 (CDBG-DR)
- See <https://hudexchange.info/cdbg-dr>
- The remaining funds (\$999,108,000) support this competition



Why a competition?

- The data available for allocation are aging and not credible beyond formula awards already made.
- The data are up at the county level and don't highlight unmet recovery needs in smaller most impacted and distressed areas.
- The data supporting the formula don't consider local pre-disaster distress measures.
- P.L 113-2 requires use of the *best available data*.



Who may apply?

- 67 governmental applicants are eligible to apply for \$817M general pool. See list in NOFA.
- 3 applicants for \$181M Sandy pool. See list in NOFA.
- NDRC factors are the same for both pools.
- HUD reserves the ability to ensure geographic diversity.



How do you apply? (Basics)

- Get the NOFA (plus all Appendices) and forms from grants.gov. CFDA number is 14.272. Read them and follow the directions.
- Connect to CDBG and CDBG-DR mailing lists and read all the things here: <https://hudexchange.info/cdbg-dr/resilientrecovery>
- Find partners and connect with experts
- Consult with stakeholders and citizens
- Crunch data and form conclusions
- Generate a compelling disaster resilience idea
- Respond to the factors
- Submit a Phase 1 application by the deadline



How do you apply (Phases)?

- Two phases
 - In Phase 1 you have 180 days to frame the issues, find partners, consult with stakeholders, generate an idea, make a long-term commitment
 - HUD will invite high Phase 1 scorers to submit a Phase 2 project implementation proposal drawn from your Phase 1 framing and idea
 - Reserve pool – \$30M CDBG-DR pool to address well-documented unmet recovery needs in non-selected applicant communities



With whom may you apply?

- One of the 67 governments listed in the NOFA must be the Applicant
- You may choose Partners to add capacity to your team, depth to your application (Soundness of Approach), and aid in implementation (Leverage and Outcomes)
- After award, a Partner will help implement Phase 2 and may become a subrecipient, developer, contractor, co-funder, consultant . . .



What are the thresholds?

- Eligible Applicant
- Eligible County (Appendix B)
- Eligible Activity
- Most impacted and distressed area with Unmet Recovery Needs
- Incorporate resilience
- Meet a national objective
- Meet overall benefit (or provide a compelling need to receive a waiver)
- Establish tie-back
- Benefit-Cost Analysis (Phase 2 Covered Projects)
- Execute certifications
- Meet General Section administrative thresholds



What are the thresholds?

- Most impacted and distressed area with Unmet Recovery Needs
 - Funds are only to address unmet recovery needs (including related resilience) of most impacted and distressed areas that are located in eligible counties
 - Unmet recovery needs in a most impacted and distressed area is a participation threshold – best applications will reach further.
 - See webinar on this threshold



What does this term mean?

- Generally terms are defined the same as in the annual CDBG program
- Some NDRC terms:
 - Most Impacted and Distressed (see Appendix G)
 - Unmet Recovery Needs
 - Tie-back
 - Qualified Disaster
 - Resilience
 - Project
 - Covered Project
 - Vulnerable Populations



What are the competition factors?

PHASE 1	Points	Minimum
Factor 1- Capacity	25	12
Subfactor: General Management	5	
Subfactor: Technical Capacity	7	
Subfactor: Community Engagement	7	
Subfactor: Regional Capacity	6	
Factor 2 – Need / Extent of the Problem	25	15
Subfactor: Unmet needs	5	3
Subfactor: Most Impacted and Distressed	5	3
Subfactor: Response to questions	15	
Factor 3 – Soundness of Approach	30	15
Subfactor: Stakeholder consultation	15	5
Subfactor: Ideas/Concept	15	5
Factor 4 – Leverage and outcomes	15	
Subfactor: Outcomes	7	
Subfactor: Leverage narrative	6	
Subfactor: Leverage commitments	2	
Factor 5- Long-Term Commitment	5	1
Subtotal Phase 1	100	65

What are the competition factors?

PHASE 2	Points	Minimum
Factor 1 – Capacity	20	14
Subfactor: Past Experience	10	
Subfactor: Management structure	10	
Factor 2- Need	20	
Subfactor: Target area/unmet needs	5	
Subfactor: Resilience need	8	
Subfactor: Best actions	7	
Factor 3 – Soundness of Approach	40	25
Subfactor: Project/frame correspond	10	
Subfactor: Increases resilience	10	
Subfactor: Model/replicable/holistic	10	
Subfactor: Schedule	5	1
Subfactor: Budget	3	1
Subfactor: Plan consistency	2	
Factor 4 – Leverage	10	
Factor 5 –Long-Term Commitment	10	2
Subtotal Phase 2	100	75

What is your basis for that conclusion?

- Evidence-based practice
 - *refers to the use of the best available conclusions/findings from research and studies as a base for determining the best practices and predictions of outcomes in a field. A strong evidence base is offered by studies with designs that can support causal conclusions and studies that, in total, include enough of the range of participants and settings to support generalizability.*
- Demonstrate you set goals, designed programs based on quality data



How can you be more efficient?

- Faster launches through coordination
- Competition design merges some environmental review consultation and analysis elements into program-related factors
- Include staff with environmental review expertise from outset and look for opportunities to include required environmental consultation on meeting agendas.



What will help you get to Phase 2?

- Phase 1: Factor 5 Long-term commitment
 - *Describe any steps you have already taken or are seriously considering that commit you to increasing the resilience in your jurisdiction regardless of whether you receive a CDBG-NDR award. HUD will only award points for Phase 1 or invite an Applicant to Phase 2 if it has already taken (since the date of the Qualified Disaster) or firmly commits to take within one year of the announcement of Phase 2 results, one or more actions improving permanent resilience in a geography including at a minimum its most impacted and distressed target area(s).*



Why is leverage so important?

- CDBG-NDR funds are for necessary expenses to address Unmet Recovery Needs in most impacted and distressed areas
- However, risks and extreme events do not have boundaries; resilience should not have boundaries
- Best applications will commit leverage to expand the reach of NDRC into broader geography and beyond activities with tie-back to the Qualified Disaster



Why the emphasis on vulnerable populations?

- Research shows vulnerable populations may not have access to the information and resources needed to participate in recovery
- CDBG-DR's unique role in post-disaster relates to program focus on low- and moderate-income persons and the businesses, housing, and infrastructure serving them
- Environmental justice responsibilities of grantees
- Involvement of all stakeholders needed to frame the best path(s) forward



What are the Phase 1 deadlines?

- You may submit your Most impacted and Distressed and Unmet Recovery Needs threshold responses within 45 days of NOFA publication for early review.
 - HUD will send a letter indicating whether your submission meets thresholds or not, and indicate noted deficiencies.
 - If HUD says your initial submission does not meet a threshold, you may make changes and submit for Phase 1.
 - The 45-day threshold review is an optional submission.
 - See the NOFA and the topic webinar for more information on meeting these thresholds.
- Full Phase 1 applications due 180 days after publication



What happens in Phase 2?

- An Applicant invited to Phase 2 will submit a proposal for a project to implement based on the Phase 1 framing and idea.
- The project must be demonstrated to be feasible. This means the Applicant has the capacity to implement it, and the project is designed properly to achieve the proposed benefits.
- The best applications will extend resilience beyond actions and areas eligible for CDBG-NDR assistance by leveraging, plans, and strategic long-term commitments.



What are the Phase 2 deadlines?

- If invited by HUD, you will submit your Phase 2 application 120 days after the date of your invitation letter.
- HUD and other agencies and experts will rate and rank all applications
- HUD anticipates taking up to 60 days after the Phase 2 submissions before announcing awards.



What are the Phase 2 deadlines?

- HUD must obligate the funds (sign a grant agreement) by September 30, 2017.
- A grantee will have 24 months to expend the funds after obligation.
- If you submit a schedule with your Phase 2 application that indicates time needed for completion of your proposal exceeds 24 months, you must also submit a waiver request for a time extension with its application.
- See Appendix A for requirement detail and Appendix E for instructions on requesting a waiver.



What triggers a BCA?

- Any Phase 2 application with a Covered Project must submit a benefit-cost analysis
 - See Appendix H for instructions
- All Phase 2 applications must submit outcome metrics based on Appendix H.
- HUD is not considering the BCA for points
- *“HUD will not fund any Phase 2 activities for which the benefits to the applicant’s community and to the United States as a whole are not demonstrated by the evidence submitted to justify the costs.”*



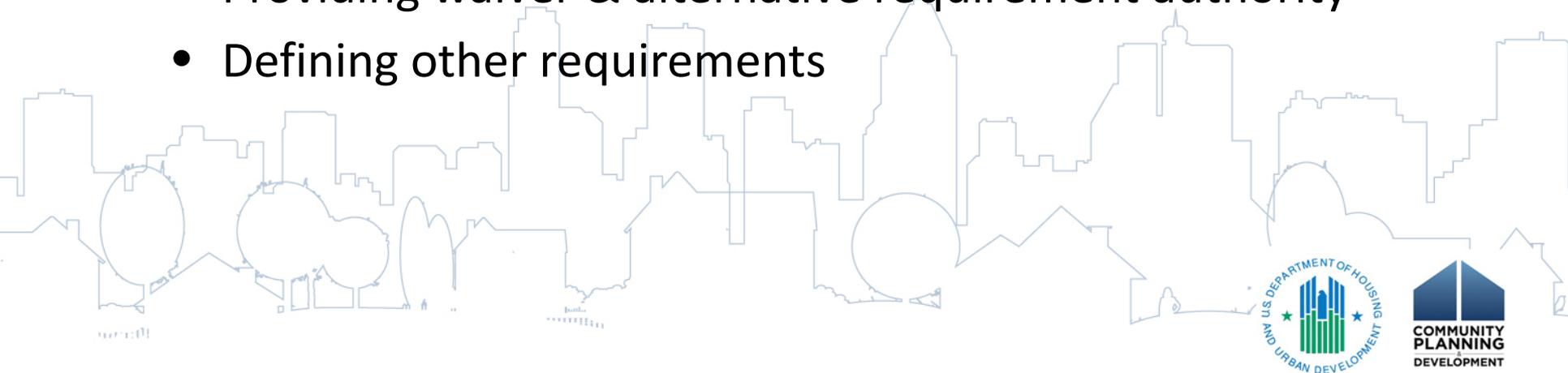
What triggers a BCA?

“Covered Project. A major infrastructure project having an estimated total cost of \$50 million or more (including at least \$10 million of CDBG–DR or CDBG–NDR funds), or benefiting multiple counties. Additionally, two or more related infrastructure projects that have a combined total cost of \$50 million or more (including at least \$10 million total of CDBG–DR, or CDBG–NDR funds) must be designated as major infrastructure projects.”



Is this CDBG or not?

- CDBG-DR builds off basic CDBG chassis
- Supplemental appropriations language establishes basis for use of CDBG-DR by:
 - Establishing funding level
 - Identifying events eligible for assistance
 - Providing waiver & alternative requirement authority
 - Defining other requirements



Why use the CDBG chassis?

- Existing capacity available because CDBG policies and procedures are established
- Broad range of eligible activities that align with resilience
 - Public facilities and infrastructure
 - Housing rehabilitation and construction
 - Assistance to businesses
 - Acquisition/Demolition
- Activities must meet CDBG national objective
 - Low/mod benefit
 - Address slums/blight
 - Urgent need



How is CDBG-NDR changed?

- HUD develops Federal Register notice(s) to implement CDBG DR:
 - Works from basic CDBG statute and regs
 - Applies waiver and alternative requirement authority
- Ability to “bend” CDBG for disaster recovery is broad but has certain key limitations imposed by:
 - Supplemental appropriation
 - Cross-cutting statutes
 - Administration policy



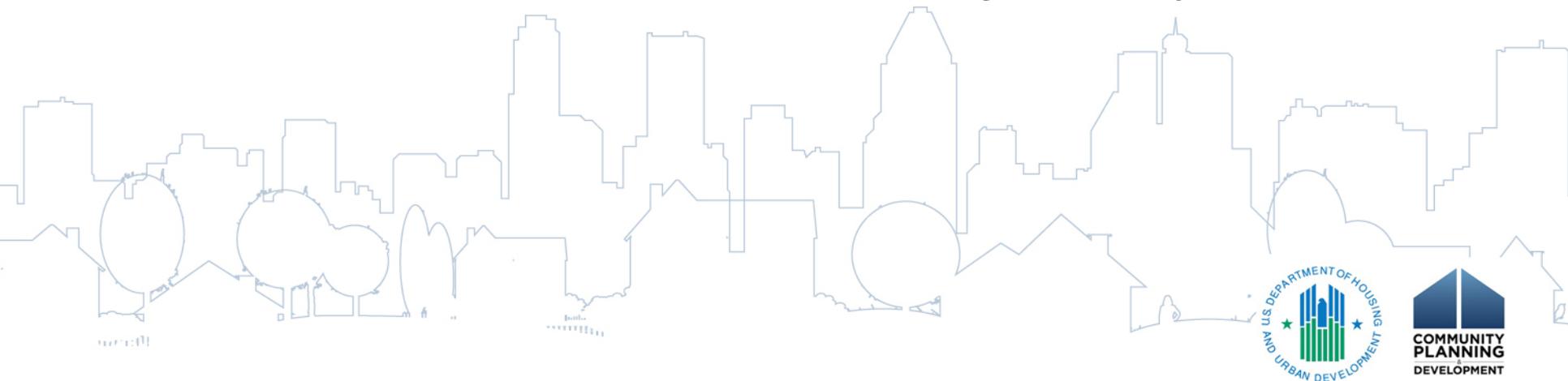
What are the things that must stay the same?

- Sandy Supplemental (PL 113-2) permits HUD to waive or establish alternative requirements for any statute or regulation that it administers in connection with use of funds except for requirements related to:
 - Fair housing
 - Non-discrimination
 - Labor standards (Davis-Bacon)
 - The environment (NEPA and related acts)
- Further, HUD does not waive OMB and Treasury requirements which would interfere with statutory directives to limit fraud, waste and mismanagement



Any eligibility limits to HCD Act activities?

- CDBG-NDR funds may only be used to assist *small businesses* per SBA definition
 - For example, effectively limits use of CDBG-DR funds for energy grid projects carried out by large for-profit utilities as well as liquid fuel supply chain activities that involve major companies



Any other eligibility limits?

- Ineligible activities for CDBG-NDR funding:
 - Any activity not meeting eligibility, national objective, tie-back, Unmet Recovery Need, and most impacted and distressed area thresholds.
 - Most pre-award activities (partial waiver in NOFA)
 - Any activity not in compliance with fair housing and civil rights requirements
 - Projects dependent on contingent action to be effective or feasible, or projects that do not demonstrate feasibility
 - Temporary measures
 - Response activities, equipment, and training
 - Projects in a Special Flood Hazard Area where the jurisdiction is not participating in the National Flood Insurance Program



What are the details?

- PL 113-2 requires grantees to develop and submit action plan describing programs and/or activities to be implemented. Application for Phase 1 and 2 = action plan.
- HUD may not reduce overall low-mod benefit level below 50% of total CDBG-DR grant absent “compelling need”
- PL 113-2 does not mention “mitigation” nor does it remove \$250,000 limit on use of disaster CDBG in Army Corps projects
- HUD provided an alternative requirement for building standards for green building, levees and flood control structures, safe rooms, etc. See NOFA and Appendix A.
- Study other details in the NOFA and Appendices.



What can you win?

- NDRC
 - Minimum NDRC grant amount is \$1 million
 - Maximum NDRC grant amount is \$500 million
- Reserve pool
 - \$30 million total for non-selected Phase 1 and Phase 2 applicants with demonstrated Unmet Recovery Needs.
 - HUD will issue a separate Federal Register allocation Notice
 - Maximum allocation \$500 thousand (for existing PL 113-2 CDBG-DR grantees)
 - Maximum allocation \$2.5 million (for non-PL 112-2 grantees)
- See NOFA for details



How can you get technical assistance?

- Related to the NOFA
 - Webinar series
 - NOFA FAQs
 - Resilientrecovery@hud.gov
- Related to Resilience and Climate change
 - Rockefeller Foundation effort
 - HUD Exchange website
 - <https://hudexchange.gov/cdbg-dr/resilientrecovery>
 - Other federal agencies, FEMA, DOT, USACE, EPA

