

**NDRC NOFA: Phase 1 Factors Q&A
Webinar Transcript
Thursday, November 6, 2014
3:00-4:30pm EDT**

Brian: Good afternoon. My name is Brian and I will be your conference operator today. At this time I would like to welcome everyone to the NDRC Phase 1 Factor Q&A Conference Call. All lines have been placed on a listen only mode. Later we will conduct an interactive question and answer session. If you would like to ask a question during that time, simply press star and the number one on your telephone keypad. You will hear a tone acknowledging your request and a prompt to record your name. If you would like to withdraw your question, please press star then the number two. Thank you. I would now like to turn the call over to Ms. Kaminski. You may begin your conference.

Kathy: Thanks Brian. My name is Kathy Kaminski with TDA, HUD Technical Assistance Provider. I'm just going to run through some short instructions, technical instructions for the webinar including how to ask questions. Please turn off cell phones and close email and other programs on your computer and give your undivided attention to our wonderful panelists here today for the Q&A session. If you're having technical problems, you can call George Merton at the number on the screen: 410-547-1825. If you're listening but can't see the presentation, please give George a call. Alternatively, if you can get into the presentation and you just have a technical question, you can send a chat message to the host. That'll come to me and I will help you out in the chat function.

As Brian mentioned, everybody is going to be muted during the whole call. Questions can be asked in two ways. You can ask a written question using the Q&A tool, or you can ask a verbal question on the conference call. To ask a written question, you're going to use the Q&A tool on the right side of your screen. You don't have to wait until we get to the question and answer session to ask a question. You can ask it at any time. The panelists will be collecting those to answer when we pause for questions. You'll see the Q&A tool on the right side of your screen. If you don't see it, look for the triangle next to Q&A and click on that triangle to expand the box. When you ask a question, please ask it to all panelists. As Brian mentioned, you can also ask questions verbally. You can press star-one on your telephone keypad and you'll be added to the telephone queue. If your question is answered before your turn in the queue you can press star, two to be removed. All questions are going to be answered verbally today. So, let us know if you need a written response. We may not be able to get to all questions, and will try to answer the most common questions first. If you have additional unanswered questions or questions to be answered privately, you can send them to the email address on the screen: resilientrecovery@HUD.gov.

Without further ado, I will hand it off to Jessie Handforth Kome, our presenter today—Deputy Director of the Office of Block Grant Assistance.

Jessie: Thank you Kathy. I'm Jessie Handforth Kome and I'm joined here today by three members of our National Disaster Resilience team. I'd like you to hear each of their voices because they may end up answering some questions as we go along.

Meg: Hi. I'm Meg Barclay in the Office of Block Grant Assistance.

Jennifer: Jennifer Hylton.

Lynsey: And Lynsey Johnson with the Office of Economic Resilience.

Jessie: Okay. We're going to do a quick presentation walking you through some of the material that's in the NOFA. Then, we're going to have an open question and answer session on the Phase 1 factors that are in the NOFA—any questions that you have. We have a Phase 1 webinar that we just put out that I hope you've had a chance to view. If you haven't, we're going to be showing you how to find it and where to get more information. We're also going to visually demonstrate one of the most common questions we're having from people who are having a little trouble finding things on grants.gov.

The purpose of the NOFA is just establishing familiarity with the content, making sure everybody is aware of all the little bits and pieces—or the major bits and pieces—and answer your Phase 1 questions that maybe you haven't had a chance to ask yet to Resilientrecovery@HUD.gov. If anything we say today doesn't comport with or conflict or appears to conflict with the NOFA, the NOFA always prevails. So, we are going to do our best and we've all been reading the NOFA like crazy squirrels and getting up to speed, but if we don't get it exactly right the NOFA is going to prevail. So, I urge you to read the NOFA carefully.

NOFA content, there is a dizzying list of appendices to the NOFA and a whole another notice that you have to look at in addition to the NOFA proper. The NOFA, which we're going to show you how to find, includes a list of the applicable requirements outside general section NOFA which covers administrative provisions related to all of HUD's competitive programs. Because this program is converted over from a formula program to competitive, not everything applies. So, we created a list inside our NOFA of the applicable requirements in the general section, but you need to read the general section to find those requirements. We didn't repeat them.

Then, we have a list of the appendices. These are not in the NOFA Proper for a variety of reasons. Appendix A is Program and Post-Award Requirements. It basically discusses the pieces of the CDBG regulations that HUD has already waived and what the post-award requirements will be. That will help you aim your program, your proposal, in the right direction and understand what the post-award world is going to look like. Appendix B is the list of qualified counties. It's got a list of the most impacted and distressed areas. It has those that we named—the counties we already named in the formula allocation, but it also has a list of all of the qualified counties—all the counties that had declarations—and you can find out what they were declared for and the declaration number, which lets you look it up on FEMA's website. We downloaded that information from FEMA. We've already had one small error pointed out that we have corrected. If you don't think the major declarations for your community are correct, let us know at Resilientrecovery@HUD.gov.

Appendix C includes the partner letters, Phase 1 and Phase 2. It's a sample letter. If you need to alter it because of local requirements, you know be really careful to keep the binding language. But,

if you need to add additional material, then you can. Appendix D is only for use with Phase 2, when you actually have a project. That will be a partner agreement. These are the terms that we're requiring in a partner agreement. Appendix E is Phase 2. It's instructions for requesting waivers. I've been getting a lot of questions at Resilientrecovery@HUD.gov just in the last couple of days really. You don't need to request waivers for Phase 1 because there isn't going to be funding in Phase 1. If you win Phase 1, you get an invitation to Phase 2 to lift a project out of your Phase 1 framing and propose it to HUD. At that point, the requirements like eligibility and national objectives and all of the CDBG, the overall benefit and the timeframes all come into play. There's instructions for requesting waivers on all of those things and the boundaries for what HUD can waive.

Appendix F is your certification. So, there's certifications for Phase 1 and for Phase 2. And of course certifications have to come in with your Phase 1 application. Appendix G, which we have another webinar on, is Phase 1 and Phase 2—most impacted and distressed unmet recovery needs criteria and instruction. I imagine that some of you on this webinar have submitted for our 45 day courtesy review—the optional review—of this threshold and we are in the process of reviewing those submissions at this point. Again, that was of course an optional submission. But, it's not optional to show that you meet these thresholds when you come in for Phase 1.

Appendix H, if you get invited to Phase 2 and you proposed a very large project over \$50 million total project cost with at least \$10 million of CDBG NDR in it, you're going to be doing a benefit cost analysis. We'll be doing a later webinar running through the benefit cost analysis guidance. I commend it to you right now because in Phase 1 it can be interesting to see what sort of outcomes we believe is of interest. What are the benefits that you could consider? It might spur ideas.

Appendix I is a required form to submit for Phase 1 and Phase 2. It's your consultation summary. We did a webinar on that already. You can find it on the page Meg is going to show you how to get to pretty soon. And Appendix J is what we're calling a crosswalk checklist but in other NOFA's it's sometimes called a table of contents. So, you'll submit this to show us where, what page number in your submission—your Phase 1 and then your Phase 2 submission—where the different pieces of the NOFA are so we can find them easily and make sure we don't miss anything and you don't miss anything. This can also be sort of your completeness checklist.

Meg: We've had a lot of questions in the mailbox about how to find the complete NOFA that Jessie just walked into. I'm going to show you how to get to that from the NDRC website. One moment. Now we're looking at the NDRC main website on the HUD Exchange. These are the instructions for getting to the full NOFA. The first thing you're going to want to do is click this link. This takes you directly to the grants.gov webpage. You want to click browse agencies here on this tab. Go down and select Department of Housing and Urban Development. Here you see the National Disaster Resilience Competition. Click on that. Click on the Application Package tab, and then download. It's going to ask you if you want to give it your email address. I'm just going to click no. And then, you actually want to download application instruction. Even though you might want to download the package, but you want that instruction link.

Jessie: You get a big zip file.

Meg: This gives you a zip file, that's right. It has the pdf with the whole description of the NOFA and then you see all of these appendices that Jessie just discussed.

Jessie: It also gives you the general section, with the technical corrections that were published. So, this is the most up-to-date general section that applies.

Meg: So, as Jessie mentioned, we just posted our recorded webinar. I'm going to show you how to get to the recording for the full webinar for the Phase 1 factors. Let me go back to HUD Exchange, back to the NDRC website. On the NDRC website there's a link here under training materials to view upcoming NDRC webinars and access training material from previously held webinars. You see here the NDRC NOFA Phase 1 Factors Q&A.

Jessie: Which is this one.

Meg: Where's the Phase 1 Factors? Here it is—NDRC NOFA Phase 1 Factors. This is a pre-recorded webinar and you can view the webinar materials. Right now you can view the webinar itself and download the slides. If you haven't viewed this webinar yet, I recommend doing that. The recording is there. You can view it at your convenience. Going back to today's webinar, move on to the next slide.

Jessie: I just wanted to bring your attorney to a few other things that are in the NOFA. Particularly for people that work normally in the CDBG or CDBG-DR world, because we did things a little differently, one of them we had to define some terms. For example, we defined the term tieback, which is used commonly in field work around describing how an eligible activity or project ties back to the covered disaster but HUD had never formally defined it before. We did that here so that I could quite writing out the long, three sentence description of how we usually describe it over and over again in the NOFA. For those of you that are already CDBG-DR grantees, it's pretty much the same thing as being related to the coverage disaster or tieback.

Eligible activities are the same but we do, in Appendix C, give you instructions on how to make requests for additional eligible activity category if you want that. We did something that's unusual in CDBG terms. We added to the list of ineligible activities. You should pay special attention to that. For example, temporary measures are ineligible. Levies that don't meet certain criteria are going to be ineligible. You need to pay attention to that going forward.

We have, of course, thresholds that you have to get through to get into the competition. Most of those are related to statutory requirements. HUD would normally leave those out in making a formula allocation and wouldn't allocate to anyone that wasn't meeting thresholds or deal with an inactive plan. In this case, we have to deal with it as helping you get into the competition.

The certifications are slightly different. If they include a financial certification you may want to fairly early on get your financial people involved so that they understand what's going to be involved in certifying that. If you already made the certification for CDBG-DR, this is a separate grant program. You will probably have to do it again. We're still debating whether you're going to have to submit all of the content you submitted or if we could just re-review the stuff you already gave us.

Be real careful about the content and form of submission. When we get closer to the end of Phase 1 we'll do a webinar just on that. You're going to have page limits for your narrative exhibit and there are a lot of attachments that you can submit. Some of you have already mastered the optional

attachment possibility of Dropbox or Google Drive. But, you want to take a look at that because we like maps and pretty pictures.

Grants.gov, Meg just showed you basically all you need to know about Grants.gov. But, you will need to read the instructions very carefully for submitting your material to Grants.gov. While you're planning your timeframes right now, because you have citizen participation at the end of Phase 1, you need to leave enough time to upload your materials to Grants.gov. Because, if you are late because you can't get it uploaded into Grants.gov, that's on you. We are telling you now, start trying to upload your application materials early. It says it in the NOFA. Take a look at that. There are some funding restrictions and other submission requirements. We definitely want you to take a look at those sections. They include some familiar things like civil rights and some unfamiliar things like design feasibility.

Then, we get to NOFA contents, which is the rating factors, which I tell from the questions I'm getting that people have started reading and thinking about. I don't want you to skip over the other material in the NOFA that could prevent you from successfully submitting an application. So, we have now showed you everything and talked about all the things. We're up to questions. We're hoping that we have some questions coming in from participants.

Meg: I haven't seen any questions come in from the Q&A.

Jessie: Find out if we have anybody on the line.

Meg: Yeah, as Kathy mentioned before, you can go ahead and send any questions you have about Phase 1 Factors in through the Q&A box that some of you are using to make sure you can hear and see the webinar right now. So, at least that part is clear. We will go to the phones now. But, please feel free to continue—or start actually—submitting any questions that you have in the Q&A box as well. We'll just start queueing those up as well. We could go ahead, Kathy, and take us to the phone.

Jessie: There's like 60 of you out there. Somebody has to have a question.

Kathy: As a reminder folks, if you want to ask a question on the phone, you can press star-one on your telephone keypad. Brian, do we have anybody on the phone?

Brian: We don't have any questions via the phone lines at this time.

Jessie: Okay, well I'm going to talk about one of our most common questions that we get a lot. We have a fair number of counties that have been asking us whether they can apply. The answer is, of course, that you can only apply if you are one of the eligible applicants that are listed. There are only 67 of them. If you're one of the 67 eligible applicants, you're not applying on behalf of those counties. We're not asking you to be a pass-through. We're asking you to look at the qualified counties and decide which one is the most impacted and distressed, or which ones are the most impacted and distressed, and to put together a proposal that covers those areas plus any additional areas that you have leverage or a long-term commitment that can cover. And, if you're going to pass-through the money afterwards the only caution we have is that you, as the eligible applicant and potentially grantee, may not handoff to anyone any inherently governmental responsibilities for

monitoring and administering the grant. HUD's relationship will be with the eligible applicant. Be real careful about pass-through in your program design because of the time limits on the money.

Meg: It looks like we have another question. Can NDRC funds be used as a match with other federal dollars or do they have to be standalone?

Jessie: That's a good question. NDRC funds are CDBG funds. CDBG funds explicitly in our law are allowed to be a match for other federal grant programs as if they were local. But, there is an important limitation and that is for the Army Corp of Engineers projects. We have a statutory limitation that we cannot waive that allows only \$250,000 of any form of CDBG disaster recovery assistance to be used in one Army Corp of Engineers project. Otherwise, there aren't limits. The CDBG-DR money does not lose its CDBG characteristics when it's used as match. So, it will bring in all the CDBG requirements to the activity along with the other federal programs. That's been done quite often by other grantees, but you just need to be aware that you're going to be moving in Davis-Bacon, environment review, and national objectives requirements into your project in particular. Those are the ones that we hear about the most.

Meg: I have another request to talk about single source procurement methods that could be used if a partner has been a part of the whole application process.

Jessie: That's a great question. If you have a for-profit partner specifically, because otherwise they wouldn't be subject to procurement under federal law, although some of you come from states where the state requires procurement regardless. HUD has granted the permission that's allowed to be granted under Part 85 to entitlement communities to allow single sourced selection or procurement afterwards. So you can basically say: they're single sourced because they went through the competition with us. Their capacity was scored along with us. There isn't anybody else like that. And you can then follow Part 5 or it's going to be replaced during the competition with the new regulations. But, we'll get that out there when it happens. It just changes the regulation citation not the requirement. You can single source them by just signing a regular procurement contract, but because you didn't compete it, you have to show in some ways that you have determined a reasonable cause. A lot of times you have to go cost analysis before you make payments or set the dollar value of what you're going to pay them. Actually, most of you do some form of a cost analysis in advance for a large enough procurement.

The other kind of for-profit who might come in as a partner, you wouldn't have to procure anyway, they might be a co-funder with you. For example, if you have a lending institution come in as a co-funder, or a big developer sometimes will come in as a co-funder. In that case we would expect you to have some form of written agreement to make sure that the whole project got done. That's not necessarily a procurement situation. They're just investing in the same project you are, or you're investing in their project, or however it is that you explain it.

I hope that answered that question. We're getting that one a lot. That's more of a Phase 2 question, although you need it for planning for Phase 1.

Meg: Another question is when looking at the thresholds do you have to focus on the census tracts specifically that meet the threshold or can it be the whole county that the census tracts are within?

Jessie: We said sub-county area. We didn't define whether it's census tract or placed, although we prefer that form of data. If you have another form of data that isn't from the census, you can explain the nature of that data. Surveys—we're getting a fair number of survey questions. The question goes to a deeper thing. Can we move on to one of the extra slides that we have here—the graphics?

How does geography affect allowable costs? When you look at the Phase 1 webinar this particular graphic is going to repeat a few times in slight variation. Geography affects allowable costs. You have in the center circle or the smaller circle you have the most impacted and distressed area with unmet recovery needs. This is the area that you have proposed that meets the threshold. It's a sub-county area, group of areas that meet the threshold. The grant has a statutory requirement that we cannot waive that says that the only things that you can pay for, the only allowable costs are the necessary expenses for disaster recovery and economic revitalization and affordable housing. There's a couple other things listed there—restoration of infrastructure—in the most impacted and distressed areas. What we said, if you're already doing a recovery project with tie-back, you can build it resiliently. That's also a necessary cost. The NOFA covers that and covers co-benefits—like if you want to meet other community development objectives.

But, the point in the NOFA, significant points in both Phase 1 and Phase 2 for going to adjacent areas—the whole rest of the county, a multicounty region, the state, or a multistate region—using other resource—leverage. I've got quite a few people who have told us that we have no money to put in this. Our answer is you're not necessarily thinking of it the same way we are. Every hour of everyday a very large amount of money in America is spent on infrastructure without any regard for whether that infrastructure is resilient. If you find ways to take long-term commitment or to up your game, not only on infrastructure but on all of your investments in these larger areas to improve resilience, then you may be able to include some of that funding as leverage or toward the long-term commitment factor.

So, we are really looking at our funding as seed money. Although \$1 million sounds like a lot of money in any one place, it's not a lot of money when it's shared around the country. We're looking at our funds as seed money and it's a very un-CDBG way really, although we have been gap financiers in a lot of projects. But, we're just your starter money. We want to change how you invest in your regular, every day investments. We know there's a lot of money out there, and the same with economic resilience and social resilience. This is a challenge to think about our funding that you're applying for as seed money that can drive change in a larger geography.

Did I pound that question into the ground or is there more?

Meg: No, there is actually another question about match—goes back to the matching question. Is federal transportation money excluded for match purposes? If so, could it be utilized to demonstrate project leverage?

Jessie: That's an interesting question. Federal transportation money is not excluded for match purposes provided you did not—I mean we don't have match in this program. So, you're asking the question in an interesting way. But, CDBG can match federal transportation money except you need to be careful that section three, our local hiring requirement tangles with DOT requirements. They don't allow it, unless they grant a waiver, and I don't remember the waiver of what provision. But, we'll get that posted up into the FAQ. That gets asked a lot in the main CDBG-DR program.

If you are providing the CDBG-NDR, you're proposing that CDBG-NDR funds that you're applying for are going to be matched to another federal program, we made a policy decision that we're not going to count that federal program as leverage in the leverage factor but we definitely want you to talk about it if it helps you get to a bigger geography. The federal government just doesn't want to count match and leverage twice, even across agencies. If you don't count the CDBG as match to the DOT program, but they're both co-funding a project, then you could count the DOT funding as leverage. Or, if it's just happening in the adjacent areas, it could possibly be what we're calling supporting leverage. It's supporting what you're doing but you're going to fund the most impacted and distressed area and maybe DOT is funding the area next door. So, there's several ways the answer could be yes on that.

Meg: It looks like we just got a couple other questions. What resources are available to identify scientifically based evidence of climate change and its impact?

Jessie: I'm going to let Lynsey try to tackle that. What are the resources available to identify scientifically based evidence of climate change and its impact? You should note that you must look at the ones that are referenced in the NOFA itself. Read the NOFA for those. I think we even provided links. That's just a starting place.

Lynsey: And then also on HUD Exchange, we do have a climate resource portal where we are uploading frequently new resources that are available on climate change and data.

Meg: There is a link to that on the NDRC website right underneath the link that we demonstrated to get to the webinar as well.

Jessie: And the third piece of the answer is that you really need to look at the Rockefeller Foundation. They're calling each eligible application individually. They're calling the mayor or governor's office, reaching out at the highest level they can trying to invite people to participate in the Rockefeller Foundation Technical Assistance Effort. They will definitely try to connect you to all the resources that you need. Rockefeller is putting, I think, about \$5 million into technical assistance during just Phase 1 of the competition. So, I would definitely urge you to talk to them about that. They're very, very good at connecting people to experts.

The last piece of it is that we're not just doing these technical webinars. We're doing topical webinars and you definitely want to take a look at those, listen in on those for resources, and take down the names of the panelists and go follow them around. Other federal agencies are not covered by the HUD Reform Act. They can give you advice and guidance on a lot of things that we cannot.

Lynsey: Yeah, and with those topical webinars, we are listing all the presenter's contact information on the slide. So, make sure to flip through the actual slides for their contact information. And, on the NDRC website that Meg showed earlier, there is a link to Rockefeller's NDRC website that you'll be able to use for data on climate change and that stuff.

Jessie: I think that will be helpful. I believe that Rockefeller is even dividing their academies—it'll happen in January—by climate region so that you'll be able to talk to your peers that are dealing with similar climate change issues will be there with you—another good reason to participate in the Rockefeller effort.

Do we have another question?

Meg: Yeah. It shows the question: Can you talk more about other projects that would be eligible that aren't a covered project and how you meet BCA? Can these be large scaled planning in resilience program development?

Jessie: This is language that's not really familiar to me, but I'll tell you what. If it's not a covered project, if it's not big enough to be a covered project, you don't have to have a BCA. If you want to do a benefit-cost analysis for a smaller project you can, but we're not requiring it because to us the benefit cost ratio for how much effort it is to do benefit-cost analysis just isn't there for a project that's smaller than what we set as the threshold for a covered project.

How you meet BCA is you need to read the instructions very carefully.

Meg: A part of Appendix H.

Jessie: They're in Appendix H. And, we want to be clear that these are not like the FEMA or DOT CTAs where we didn't write into the NOFA that you must have a numeric ratio of one or greater. We are looking for you to demonstrate that the benefits are greater than the cost. We want you to do your darnedest to monetize everything and convert it into a mathematical ratio. But, this is the first time we're trying BCAs, seriously, on the CDBG—community development block grant—chassis. CDBG could do a whole lot of things that don't monetize well. I mean when you look at the benefit cost analysis literature, it's like there's all these things that don't monetize well and I'm going oh yeah, but we can fund that and that and that. So, what we did was we provided some room for you to give us information and not just monetizable data. We really, really want every BCA to take a real swing at monetizing everything that you can monetize if you have reasonable data to support that. Meg, am I getting this all right?

Meg: Yeah.

Jessie: Meg wrote it. I'm going to throw her under the bus. Come on Meg.

Meg: No, that definitely...that definitely covers it. Also, I think it's important to note, in those—and Jessie said this earlier, but the attachment sort of lays out examples of different kinds of benefits that could be considered within a benefit cost analysis. That does go further than what might be accepted by a FEMA BCA or a Corp of Engineers BCA. That obviously kind of helps you ramp up the B side of the BCA, but it also had to do with the nature of the CDBG program. We're very interested in understanding a little more how grantees value those particular benefits as they related to CDBG.

Jessie: I mean, if we're looking at a project, just as a for example, if your proposal ends up being a very big economic development revolving loan fund, you're going to have a hard time. Not an impossible time with BCA, because your normal way you would think about it, and say you'd be underwriting every deal, so of course you'd have benefits. You have to get through this. The models we had to work with were all infrastructure models or heavily infrastructure models. And, we are aware that not everything that CDBG could possibly fund has a set of data that you can do monetized on benefits. So, we want you to work hard at it. We are going to have help from our other federal agencies in reviewing them, as well as from our policy development and research

people here. So, cite your sources. Approach it as: get your geekiest people and approach it as a serious data problem, and benefit cost analysis again.

Meg: Right. And, keeping in mind that the full BCA is a Phase 2 requirement. This is kind of a techy question about how the NOFA is structured. In the Phase 1 submission certain thresholds had to be met, such as national objective and eligible activities based on your project. However, applicants are not required to submit projects in Phase 1. Please clarify.

Jessie: The reason that we included it on Phase 1 is because when we were brainstorming this and looking also at rebuild by design, we realized that some of the things that we got might conceivably be projects, although that's not what we're expecting. If your idea or concept doesn't know how you're going to meet a national objective yet but you consider vulnerable populations and you are explaining an idea or concept but you don't know yet what the project is you're going to lift out of that, then I would just say do your best to explain how you can meet low-mod, or meet slum blight, or how you would approach meeting it when you go to select your project. There are questions on how are you going to select your project. One of your answers might be, in selecting the project we will consider whether it will meet national objectives in this way.

Meg: This is a question asking whether you can use CDBG-NDR funds to prevent flooding to a most impacted and distressed area with unmet recovery needs, even if that infrastructure does not have unmet recovery needs?

Jessie: It's conceivable. We're not doing pure resiliency/resilience projects in most cases. But, if you have been working on recovery in an area and to protect that recovery—you notice I am tying you back to the recovery—you want to make changes to infrastructure. You can make a pitch for that, but it's got to tie back. If you're making a case that without that resilience your recovery from the past disaster is threatened, then you could try proposing that. It's not the easiest path through here, but it is an allowable path. It's a path that's been taken through—it's a little more sophisticated. You really have to sit and think about how do you make tie-back on a project like that? Where has your recovery been occurring or not occurring? I can think of one project we had in CDBG-DR in the past where an area that was in the floodplain and needed protection but didn't have it, couldn't recover because the insurance cost had shot through the roof. So, the businesses and homeowners just couldn't figure out a way to come back. Maybe we wouldn't be paying for the recovery itself or maybe you've been using other funding for the recovery and you need to protect your recovery. You have to demonstrate the most impacted and distressed area and then you're going to have to look at that unmet recovery need using Appendix G and really figure out how you'd demonstrate some unmet recovery need.

Environment degradation is going to be a path for some of you I know. I would just take a real close look. Without an unmet need, and resilience can be an unmet need—NOFA says that explicitly—I'm going to say that you can't complete your recovery. It can't be purely future looking.

Meg: This is somewhat related to that actually. If the state is spending money in the construction of sewer and aqueduct facilities and the absence of such infrastructure is part of the resiliency problem in the community, could that money be considered as a match?

Jessie: We're not doing match remember. Everybody keeps going back to match, but we don't do match. We do leverage. To the extent that sewer and aqueduct construction—to the extent that you

are doing it resiliently. For example, if you want to look in long-term commitment, are you building above an established standard, you could get points there. Whether you could consider it as leverage, it could probably be supporting leverage which I think we give you half credit in Phase 2. In Phase 1 we're really just looking for cash help on planning and for you to answer the prompt in Phase 1. We're looking for leverage related outcomes too. We want you to figure out early on what do you want to actually achieve? What resilience are you trying to get to measurably?

Meg: Okay, then a similar sort of project specific question: Can CDBG-NDR funds be used to make a waste water treatment system resilient in a most impacted and distressed area if that piece of infrastructure remains vulnerable to flooding from the qualifying disaster and future flooding even if it has already been built?

Jessie: If it's already been built back and to an existing standard and you're done with the project you're going to have a problem with unmet recovery needs.

Meg: That was the question. She finished. I didn't read all the way down. It's been built back to pre-existing standards.

Jessie: That's the hardest one to do. We actually have an FAQ on this. If you've already completed the build back, hardening it or making it more resilient is going to be difficult to justify. That's a more difficult variation on the question we just answered about how can you tie a pure resilient project back to protecting your recovery? That one is just a little harder because you're going to have a harder time finding data if the facility is already back.

Meg: Okay.

Jessie: I mean, but it's not impossible. It's just difficult. It's going to take some real case specific thinking about it. Unfortunately I can't coach you through that because of the HUD Reform Act. This is when I say you know read the NOFA carefully, brainstorm, and go talk to the Rockefeller group and talk to your peers.

Meg: The next question is that the FEMA disaster for this questioner affected their entire sewer system. Could any of these funds be used to help with local match—or really leverage I hope is what they actually meant—or if you connect additional customers to the sewer system?

Jessie: The declared disaster affected your sewer system. Can the funds help with FEMA match? I would guess. I mean CDBG funds can definitely be FEMA match for both PA and HMGP. All the CDBG regulars on the phone are shuttering about the tap on fees questions. It is possible to use CDBG to connect additional customers to a sewer system, particularly if you could show in disaster recovery that their wells failed—things like that. If you have that data, that's really good data. I know that when I used to work in North Carolina the counties there would hustle out right after a disaster and test all the wells because they knew they'd all flunk after a flood, so they'd have the data. I don't know if other places do that.

Tap on is normally done if you're on public property you can do that part of the tap on. If you're on private property, the individual homeowner property or business property, CDBG changes categories there. We think about that as rehabilitation. Tap on alone is not normally allowed as an eligible activity. So, if you decided to go that route, if you got invited to Phase 2, you might have to

have an eligible ineligibility waiver. But, we'll take a better look at that and try to give a more complete answer based on some case stuff that we have and get that out on the FAQ's. It's one of those repeating questions that we hear occasionally across the years.

Meg: Phase 1 Factors suggests that multiple most impacted and distressed urgent recovery needs can be identified in an application submission. Does this mean that three separate presidentially declared national disasters could all be used to identify the most impacted and distressed urgent recovery need area for this NDRC?

Jessie: This question can go two ways. One is you have one place like Roundup, Montana I think that got three different disasters. They basically go for one a year I think. So, yeah you could use three different disasters and the effects of three different disasters to explain their most impacted and distressed unmet recovery needs. Or, it could be if you are a state that has scattered disasters, such as California where the disasters didn't overlap at all—they're scattered around the state. So, you have three different disasters and you want to qualify three different areas based on three different sets of effects, yes, you can do that. Both of them are yes.

Meg: Are revolving loan funds qualified for NDRC funding?

Jessie: Yep. CDBG has listed eligibility categories that aren't like anything else in federal government. We don't consider financing mechanisms to be...loan funds to be eligible activities. They're just ways of providing assistance. So, anything you can think of—you can do a grant or a loan or a loan guarantee or a revolving loan fund. It's not common for disaster recovery grantees to earn significant program income, but on the exact same chassis or very, very close to the same chassis doing real-estate work, the Neighborhood Stabilization Program generated more than \$1.3 billion in program income. Revolving funds are fair game. There are a lot of different financing mechanisms. Whoever asked that needs to hunt down a CDBG practitioner and really dig through the possibilities.

Meg: I believe that takes care of all of the questions that we have in the Q&A box. Are there any questions on the phone Kathy?

Kathy: I'll defer to Brian. Brian, are there any questions on the phone?

Brian: And we have no questions via the phone line.

Meg: This is your last chance.

Jessie: Let's do the next pretty picture. It looks a lot like the last pretty picture. Stakeholder geography: You have stakeholders who are your proposal. They were affected by the disaster or they're in the adjacent areas. At a minimum you're going to have to consult—this is beyond citizen participation for CDBG grantees and beyond the Con Plan requirements and it's been re-written a little. At a minimum, you must consult with stakeholders in your most impacted and distressed areas and adjacent areas. If you're a unit of general local government, or CDBG calls them UGLG, you need to also consult with your state. But, we'll give you points if you do consultation in a larger area, including a multicounty region, statewide, or in a multistate region. Yes, we have had that question—can two states come in together, or three states come in together? The answer is yes.

That's out in the FAQ's. It's a little complicated, but it can be done because CDBG has the permission in the law—it's a constitutional thing.

Let's go to the last one—the last pretty slide. There she goes. Commitment Geography—here we're talking about the long-term commitment without which you will not get invited to Phase 2. Once again, the minimum is you must make some kind of long-term commitment to resilience that measurably enhances resilience in the most impacted and distressed and unmet recovery need area regardless of whether you get funded. But, we'll give you more points if you reach further into adjacent areas, multicounty regional areas, state, or a multistate region. I should put tribes in here, but I'm never really sure what level to put them at. But, also reaching further includes reaching out to tribes. Do we have any more questions?

Meg: Yeah, we had another question come in. Will the 20% planning and admin limit be held during the competition?

Jessie: The public law 113-2 actually puts a 5% general administration cap on the grant. But, it didn't talk about planning. So, HUD has left the 20% cap standing. So, as a total for planning and administration per grant, not for sub grant, per grant...but of that only 5% of a grant plus program income may be used for general administration. So, a lot of you are state. We generally adhere to the entitlement because we're allowing you to act directly. We generally adhere to the entitlement definitions of planning administration for these purposes.

Meg: Okay, so we have a question about when and where the Rockefeller workshops or will be offered. I was just thinking, I don't think the workshops are scheduled yet, or the academies.

Jessie: No, the academies aren't scheduled yet. November 18th is the summit I believe and the invitations are going out very soon. We are looking for the summit, Rockefeller—it's not we. I shouldn't say that. Rockefeller is looking for the highest level decision makers that they can get from your communities to come. They're looking for one to two people to come for the summit and there will be very high level people. We've got some cabinet level people invited to talk at the summit and try to get people kind of fired up because we're looking for these big leverage and commitment factors. So, that happens in November.

Lynsey: January 2015, five regional resilience academies will be held. Those locations and agendas are still being worked on right now. As for the November 18th summit, those invites have gone out already and I know that they're registering for it.

Meg: Kathy, I was just thinking—with that in mind—if you wouldn't mind passing control back to me, I can share the website and show where to find the information about the Rockefeller information on the browser.

Jessie: Just remember they're parallel to us but separate.

Meg: Just going back to the main NDRC website on the HUD Exchange. Down at the bottom you see the Rockefeller Foundation Capacity Building Initiative for the NDRC. There's an FAQ document there, but if you click here and visit the actual page—the Rockefeller Foundation's Effort—we should go there. This is where you would go to find more information about those academies and other resources that they're making available to the eligible applicants.

Jessie: They're going to put some videos up and they have reports and publications. Resilience is one of the really big areas that Rockefeller works in. It's definitely worth taking a look over here for resources.

Lynsey: And, they do have an email address. I don't know if they have it on the site here that we can direct questions to. But, it is...

Jessie: Isn't it resilience@RockFoun.org or something like that?

Lynsey: resilience.academy

Meg: Here. Probably if you click email you will...

Jessie: Yeah, go there.

Meg: Your browser or your email application will open. My browser is being very slow. There.

Lynsey: resilience with "ce" at...

Jessie: .academy@RockFound.org.

Lynsey: Is their email address to forward questions about the resilience academies or anything else.

Jessie: They're very interested in what experts you would like to have at the academy. If there's engineers or designers or if there's different kinds of experts that you would like to have at the academy to help you think better about resilience and stuff, they've been asking that question. You can send that to that email address also.

Meg: And just while you're here, this is the Office of Economic Resilience Resources, Community Resilience Resources page. It's got them sort of categorized in these four different buckets that then take you kind of further down into different types of...there's a whole lot of stuff in there. So, it's a great place to go.

Jessie: The inspiration stuff is really fun. The rebuild by design video on the right, the hundred resilient cities—some of those inspirations are really fun when you're trying to think about this because it helps you think different.

Meg: I have another question. Will long-term commitments made before NOFA release but after the qualifying disaster count towards points for that factor?

Jessie: Yes. They will. The start date for your long-term commitment is your qualified disaster event date and your FEMA declaration. The end of that date period, for those of you who have got ranges, my condolences. And, that's the date. We say in the NOFA that we are going to especially consider or pay special consideration—I forget exactly how we worded it—to changes made after the date of the NOFA. But the real start date is your disaster event date.

Meg: We're back to the last question in the Q&A box. I think if we could go, Kathy, to that slide about where to find more resources that's in the webinar slides. I think it's right after the question slide.

Where to get more information. So this has the links to the NDRC website that we just demonstrated, the resilience resources, the Rockefeller Foundations effort, and also the email address where you can send other questions, Resilientrecovery@HUD.gov. So all the folks on this webinar are monitoring that mailbox and responding as soon as we can.

Jessie: Right now we're averaging within 5 ½ hours. I got a little slower. I was keeping it at four and a couple got away from me.

Meg: Jessie is an over achiever. We are definitely trying to get back to you as soon as we can. These links will also be active in the slides that will be posted probably a day or two from now on the website resources. Sorry, the webinar series website that we also demonstrated a little earlier in this call. So you can go there, look for the slides, in addition to the recording. There will be a recording posted of this webinar as well.

Jessie: And, I'm giving you one last chance if you'd like to ask some questions. We're still here. We're hanging out. We've got time. We're kind of excited about this thing, but it is big and complicated and a change in the way we do business. Anymore?

Meg: Going once. Going twice...

Jessie: Double down. Okay Kathy, do you want to take us out?

Kathy: Yes. Thank you all for joining us today. Like Jessie and Meg said, we will post the slides and the recording—the slides by tomorrow, likely the recording by early next week as well as the transcript of today's presentation. Thank you Jessie and Meg and Jennifer for a great presentation.

Jessie: Thank you.

Meg: Thanks everyone.

[End of Audio]