



National Disaster Resilience Competition (NDRC)

Q & A Session: Walk through FAQs
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Presenters

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Agenda

1. Overview of Specific FAQs

- Eligible Activities
- Partner Agreements
- MID-URN Sub-areas
- LMI, Overall Benefit, and MID-URN

2. BCA and Other NDRC Resources Available to Applicants

3. Q&A

NOTE: The NDRC NOFA prevails if anything in this presentation conflicts or appears to conflict with the NOFA.

Overview: FAQ Organization

National Disaster Resilience Competition Frequently Asked Questions – Phase 2

FAQ Categories¹

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FAQs covering more than one topic

For example,

A question about leverage may incorporate a concern about partner documentation or the same partner's involvement may trigger an issue with eligible activities or documenting applicant capacity.

Applicant may want to check FAQs in the **Eligible Activity**, **Leverage**, and **Capacity** categories.

Eligible Activities and CDBG Requirements

(Eligible Activities - # 6) Can CDBG-NDR be used to fund a state-wide educational or planning program related to resiliency? Would those funds be considered a part of the overall 20% planning and administration funds or project funds?

It would not be eligible to use CDBG-NDR for any state-wide activity. CDBG-NDR funds may only be used for the benefit of the MID-URN area and no state is entirely MID-URN qualified. You would need other funds to provide statewide benefit for an activity, including planning.

This activity may be considered planning or a public service activity. For a public service activity, applicants must justify how the activity meets the NOFA definition of project by being integrally related to your other activities in their applications. In this case the funds would be project.



Eligible Activities and CDBG Requirements

(Eligible Activities - #2 & #3) Can CDBG-NDR be used to fund hazard monitoring and warning systems or emergency response equipment?

All funding must be used on activities that are tied back to recovery from the disaster for which your community is qualified to apply. Review the tie-back definition in the NOFA and consider whether you can establish a logical tie-back that a reasonable person would accept.

Many hazard monitoring and emergency response systems would not be eligible for NDRC assistance because they appear to be disaster response activities for future disaster and not necessarily tied to the Qualifying Disaster, or otherwise ineligible. Here is what the NOFA says under “Ineligible Activities” (NOFA p. 16):

- (7) Projects for temporary measures (e.g. sandbags, bladders, geotubes, newly established emergency operation centers). Equipment is generally ineligible for CDBG-NDR assistance unless necessary in the provision of an eligible public service or special economic development activity.
- (8) Response activities, equipment, and training (e.g., electronic evacuation road signs, interoperable communications equipment).

Eligibility and tie-back are threshold requirements. If no part of your proposal meets these thresholds, your proposal would not be fundable, regardless of how high it scores on factor responses.

Partner Agreements

(Partner Agreements - #5) What parts of the Partner Agreement document should be completed if the Partner is only providing advice and coordination of activities with the applicant and other partners to carry out the proposed activities, and NOT getting funds through the partnership?

HUD recommends keeping the agreement sections regarding funds and indicate that zero grant funds will be provided. We have a concern that without funds being provided, a Partner's capacity might not be available as agreed, so you should consider a careful response to the NOFA prompt regarding what you will do if a Partner drops out. You may also choose to add clauses to the Partner agreement addressing this.

(Partner Agreements - #9) We have been advised that Partnership Agreements are applicable ONLY for "Leverage Partners" providing direct financial commitments – direct cash leverage. For all other partners a letter of intent is the requirement. Is this correct?

No. Appendix C says:

"NOTE: All Partners must submit a letter of intent to participate as part of the Grantee's application for CDBG-NDR funds for Phase I. For Phase 2, a letter of intent to participate and a binding cooperation, subrecipient, or developer agreement, or a contract, as applicable and contingent upon award, must be submitted with the Grantee's application for CDBG-NDR funds."

Note that Leverage documentation and Partner documentation are two separate requirements. For example, any entity (such as a bank) may provide cash leverage to a project without being a Partner. A Partner may provide capacity through advice, consultation, or in-kind support and not provide cash to be counted for Leverage.

(Partner Agreements - #10) Several distinct state agencies will have some role in the proposed Phase 2 project, but all fall under the umbrella of state government. Should each of the different state agencies be considered "partners" for purposes of the NOFA, or is that unnecessary since they are all part of the same state government whole?

We are open to either approach, provided the lead agency can enforce program requirements. As a default, HUD will view the State as one entity unless told otherwise. Applicants should consider what protocols exist or would need to exist to structure financial management and enforcement of requirements across distinct agencies, such as MOUs or another type of formal agreement.

MID-URN Sub-areas

(MID-URN - #11 & #12)

For Phase 2 the State has selected a discrete capital project benefitting nine municipalities in only one of the MID counties. Does the NOFA require us to identify the need as exclusively within the municipalities that will be the proposed project beneficiaries?

You still have your overall proposal framing from Phase 1 and your Phase 2 project must arise logically from your updated version (iteration) of that framing. Your MID-URN response and your response to the Need factor prompts should be substantially the same as Phase 1, and you will need to provide the additional information as prompted. The documentation required in Appendix G has stayed the same as Phase 1. And, of course, your projects must tie-back to the identified URN.

If an applicant has decided to propose a project within the MID county and met the URN requirement during Phase 1, to what extent is the applicant required to address and document the URN requirement for a sub-area of the MID county in Phase 2?

Everything assisted with CDBG-NDR must tie back to a documented unmet recovery need from the Qualified Disaster. If you cannot logically tie back (at the reasonable person level) your proposed project to addressing the URN you identified, then you will not be able to use CDBG-NDR funds. If you identified a MID with Unmet Recovery Need in housing in one part of a county, but you want to build new housing to meet that need in another part of the county, then you have a good chance at establishing a reasonable tie-back.

LMI, Overall Benefit, and MID-URN

(Tie back - #8) Please describe the difference between the requirements for overall benefit to Low and Moderate Income persons, the LMI Area Benefit National Objective, and requirements for MID-URN target area.

LMI National Objective – LMI Service Area (LMA) The CDBG regulations for area benefit national objective require that for each CDBG-NDR assisted activity, grantees should consider the full range of direct effects of the activity and ensure that the primary benefit goes to a service area that is at least 51% low- and moderate-income (LMI). Guidance can be found in Appendix D of the Guide to National Objectives and Eligible Activities. To meet the LMI area requirement, you will have to make a reasonable demonstration that the primary benefit is going to a service area that is at least 51% LMI, whether or not that actual service area is completely within the MID-URN. (Note that you have another possible national objective to use. If the project has tie-back, you will be able to meet the urgent need national objective.)

Overall Benefit – The funds test, called the overall benefit requirement, applies to the grant as a whole looking at the entire portfolio of assisted activities. Under the overall requirement, 50% of your total grant amount must be expended on activities that meet the low/mod national objective through area benefit, housing, jobs, or services.

MID-URN – Funds under this Appropriation may only be used to benefit the MID-URN area. The target area you select for NDR projects or program must lie within the MID-URN. MID-URN or target areas need not be an LMI area as described above. If your project's service area is only partially in the MID-URN, this presents a weak tie-back argument. You would need to use outside sources of funding for activities that benefit areas outside of the MID-URN. In some cases, grantees have justified projects outside of the MID-URN that are necessary to realize benefits within MID-URN. HUD will review your justification on a case-by-case basis.



Other BCA Resources

OMB Circular A-94:

<https://www.whitehouse.gov/sites/default/files/omb/assets/a94/a094.pdf>

OMB Circular A-4 (provides additional guidance on how to quantify and monetize Benefits and Costs):

https://www.whitehouse.gov/omb/circulars_a004_a-4/

https://www.whitehouse.gov/sites/default/files/omb/assets/OMB/circulars/a004/a-4_FAQ.pdf

FEMA BCA resources:

<http://www.fema.gov/benefit-cost-analysis>

<http://www.fema.gov/media-library/assets/documents/33295> (2013 Mitigation Policy on Env. Benefits)

DOT BCA Resources:

<http://www.dot.gov/tiger/guidance>

<http://www.dot.gov/tiger/outreach>

Submit NDRC questions to: resilientrecovery@hud.gov

NDRC NOFA And Resilience Webinar Series: <https://www.hudexchange.info/news/ndrc-webinar-series/>

Other NDRC Resources

Quick link: <http://hud.gov/resilience>

Resilience-related resources:

<https://www.hudexchange.info/cdbg-dr/resilient-recovery/>

<https://www.hudexchange.info/manage-a-program/community-resilience>

Fact Sheet:

<http://portal.hud.gov/hudportal/documents/huddoc?id=NDRCFactSheetFINAL.pdf>

NDRC NOFA posted on Grants.gov :

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail

Submit NDRC questions to: resilientrecovery@hud.gov

NDRC NOFA And Resilience Webinar Series: <https://www.hudexchange.info/news/ndrc-webinar-series/>

Questions?

resilientrecovery@hud.gov



Next live webinar will be a topical webinar, ***Resilient Approaches to Water and Green Infrastructure***, October 1st from 3:00 – 4:30 PM

Watch the NDRC Webinar Series news page for further updates... <https://www.hudexchange.info/news/ndrc-webinar-series/>