

NDRC: Q&A Session Unmet Recovery Need Threshold Response Webinar Transcript Thursday, November 11, 2014 3:00-4:30pm EST

George Martin: Good afternoon, welcome to today's NDRC Q&A session on unmet recovery need threshold response. My name is George Martin, I work for TDA, which is a HUD technical assistance provider and I will be providing technical support to today's webinar. In just a minute I'm going to turn it over to our wonderful HUD presenters but I'm going to take about five minutes to go through some technical instructions for today's webinar.

The first thing I want to do is remind everyone to give your undivided attention to our presenters today. Please shut off any phones that you're not using to access this teleconference. Close your email and other programs on your computer so that you're not distracted during today's presentation and Q&A session. If you're having technical problems accessing either the webinar or the teleconference you can call my colleague whose number is listed on the screen, her name is Vicky Grim and she can be reached at 410-547-1825 or if you can access the webinar and maybe are having trouble with the teleconference you can send a chat message to the host, I'm the host. So if you use the chat function on the right hand side of your screen you can send a message to the host and we'll try to get your problem resolved.

All participants are currently muted right now and you're going to stay muted for the duration of the presentation but you will be able to ask questions after the initial presentation is over during the Q&A session. And these can be asked in two ways. Either in writing using the Q&A tool in webx or verbally via the conference call. And write now I'm going to give you instructions on how to do both of those.

First you can ask a written question and you're going to use that, do that using the Q&A tool in webx. On the right hand side of your screen you should see a Q&A panel. If it happens to be closed you may have to click on a small triangle to the left of the Q&A and this will open the panel on your screen. To ask a question simply type your question into the text field of the Q&A tool and then select, it's going to ask you who you want to ask the question to. Please select all panelists and then press send. We will see your question and be able to answer it during the Q&A session.

Answering verbal questions is a little bit more complex, but sometimes this is necessary. So first you need to accomplish one task to be able to ask verbal questions. On the right hand side of your screen under the participant's panel you should see your name under the word attendees. Look at your name and see if there's a small telephone icon to the left of your name. If there is then you're ready when the time comes to ask a verbal question. If not, you need to link your telephone with your webx and you do that by finding something called the identity code on the event tab, event info tab which is found on one of the tabs at the top of the webx screen. If you click on the info tab there will be some information about the webinar including something called the identity code, which is the pound symbol and then a series of numbers and then the pound symbol again. You should take that number, including the pound symbols and enter it into your telephone keypad.

Another place that you can find the identity code is if you click on the word event at the very top of the webx screen. You can select an option called information and a set of information about the webinar will appear including the identity code, which again you should enter including the pound symbols on your telephone keypad. Once you've entered the identity code onto your telephone keypad you should see the little telephone symbol appear to the left of your name as you can see on the screen and then you'd be ready to ask a question. When the Q&A session comes and you'd like to ask a verbal question there's a small hand button at the bottom of the participant panel. If you click on this button then the panelists will know that you're ready to ask a verbal question and we can unmute your line when the time comes.

Some notes on questions. We're going to answer all questions verbally today so if there's something you'd like in writing please let us know and we'll try to arrange that. We may not be able to answer all questions; this as we said at the outset this is a webinar about the unmet recovery need and we're going to answer questions about that primarily. And the other thing to know is that there's two ways to ask questions the Q&A panel and over the phone. We are probably going to try to answer questions from the Q&A panel first before we get to verbal questions.

And as always if you have any questions about the NDRC please be sure to send them to resilientrecovery@HUD.gov. That includes questions we couldn't get to today or maybe a question that you wanted to ask the HUD staff privately.

So on that note I'm going to turn it over to Jessie Handforth Kome from HUD.

Jessie Handforth Kome: Hi this is Jessie Handforth Kome, Deputy Director of Block Grant Assistance and I'm here with Todd Richardson and Meg Barclay and Lynsey Johnson and Duncan Yetman. We're all part of the team working on the National Disaster Resilience Competition and today we're going to talk about the unmet recovery needs, threshold criteria and have a question and answer session.

So what we're going to cover today is a brief review of the unmet recovery need threshold criteria, which we've already had a webinar on back in September on launch day. And then we're going to have questions and answers. If you want to start sending in your questions at any time Meg is being our sorter of questions and she will be able to take them and get them queued up for when we're done with the presentation.

We also have additional resources as you're probably aware over on the HUD exchange where you can pick up information about the National Disaster Resilience Competition on resilience in general and CDBG-DR get ideas and examples and you can also again, always send questions to the resilientrecovery@HUD.gov mailbox which means me, Meg and Jen. Okay?

So there are three thresholds most impacted, most distressed and unmet recovery need thresholds that are statutory and linked to the source of our funding. So you have to get through these thresholds to get into the competition.

Most impacted is about where the disaster did damage, the declared disaster. Meg cursed me, she told me I hadn't coughed in awhile. Here I go again. And how much damage was done. On distress we're talking about the characteristics. For the most part the characteristics of the most impacted area, that exacerbated the impacted disaster and made it more difficult to recover. And today what we're going to be talking about because we talked about the first two Tuesday. We're going to be

talking about what need resulting from the disaster remains in the most impacted area that cannot be met with available resources. The reason that we put in these two additional webinars is that there were so many questions raised about Appendix G through the submissions for the 45 day optional reviews that we're trying to get out there ahead of it.

You should know that we also have a technical amendment to Appendix G of the NOFA that is coming because we discovered and similar grantees also pointed out some errors and omissions in appendix G and we will get answers today pretty much based on what we know is coming but they're technical amendments such as places where we forgot to say for example, or let out a semicolon that our lawyers told us changes the meaning of the sentence from what we intended. And we're working on getting that out as fast as we can; it's written we just need to get the signatures. It will load up at grants.gov and we will send a note out to the mailing list so you'll know about it right away.

Okay so with that I'm going to turn it over to Todd Richardson who is going to tell us all about the unmet recovery needs threshold.

Todd Richardson: All right so I want to reiterate that this is a fairly simple concept that's somewhat hard to meet. And the simple concept is you had a presidentially declared disaster in a defined area and that you need to show for that defined area that you still have -- that you still have damage and that you don't have enough resources to recover from that damage. That's required because of these statements in the statutory language. The first is that these funds have to be used for necessary expenses so a cost item related to your long term disaster recovery and the second is that these are -- this has to be something that you don't already have resources that could be acquired through FEMA or the Army Core of Engineer or if you've already received CBDG disaster recovery funds other CBDG disaster recovery funds you've received. So there has to be a gap here; so that's where the unmet piece comes in.

Next slide. So the -- the second part of this is that when we made our formula allocations generally those occurred at a relatively soon after the disasters that we were funding and at that time we had some data from our partners that see them in the small business administration that we could make some decisions about what damage was probably not going to be covered by FEMA and small business administration. But today its December 2014 all of these disasters are at least a year old, several of them are two to three years old which means we do not have any current data on what your recovery needs are from these disasters; so we need you to tell us. And that's why we're running this competition is so you can tell us what you're continuing recovery needs are and show to us that you don't have enough resources to address them.

Next slide. A lot of folks had trouble with the sort of target area issues that were in the Appendix G. So this is to clarify what we did cover already in most impacted a couple days ago. The key here is if your county is already a most impacted county as determined by HUD then you can present data and identify that most impacted county; however if it was not a county that previously designated by HUD is most impacted then we're going to ask you to have to demonstrate data at a smaller geography, sub county level. And that can be very tiny up to -- up to different sizes. So for example it could be a block group, it could be a census track, it could be an aggregation of census tracks, it could be a census place but it cannot be the whole county to be able to qualify. It must be within a county that was declared in 2011, 2012 or 2013 as a presidentially declared disaster area. And it needs to be the same area that you have already identified as most impacted and distressed earlier in your response to Appendix G.

Next slide. The -- it's very important so this issue about most impacted is what is sort of driving all of this. Not every place that had a disaster is going to qualify for these funds. You have to demonstrate that in fact you had some very significant level of damage associated with this presidentially declared disaster that has some gaps that needs to be addressed with these funds. That's the -- the law calls for most impacted and distressed and we have to discern that.

Next slide. For -- this is a repetition of the areas I just went through and what a sub county level could be and you'll note we keep repeating this because we saw this several times in the letters we received some difficulty with these areas, and also it's because people have difficulty with these areas we realize part of that was our fault. We had some drafting, technical issues that we are resolving in the document that we're going to be putting out there in terms of revised appendix G as Jessie noted.

Next slide. So we're a number of sort of questions and answers about this issue about sub county levels. Can an applicant make a most impacted showing for every sub county area within a county that separately addresses data for each and every sub county area? So for example, you can repeat the question in the Q&A.

Jessie Handforth Kome: Basically it's -- this is for most impacted and distress the answer is you can't aggregate. But for unmet recovery needs as Todd is going to point out, you may aggregate. In fact we probably recommend that you aggregate; so that tripped up a lot of people; so we're going to get this Q&A out formally. This is what -- this is what we intended and we're just not sure it was super clear to everybody that applied. A few places got it and most places missed it.

Todd Richardson: All right, next slide. So for the responses here as you know there's the phase one response and then there's going to be a phase two responses as you pass through that phase one, that area. This notes the difference between phase one and phase two. Phase one is important for you to identify the target areas and demonstrate the needs. This is a threshold criteria; you can't get to phase two unless you pass this special criteria. And you'll note with phase two you can make some changes to the areas in phase two.

Let's get into the details a little bit about what it takes in each of the different categories here.

Jessie Handforth Kome: Because a lot of the questions we noted did have to do with the specific data that we asked for and people didn't necessarily read it as stringently as we hoped. You know and give us the exact data source we asked for.

Todd Richardson: All right, so for housing. In the case of housing you're going to have to show that some people still have -- either people are still displaced from this disaster or that there are homes that are unrepaired as associated with this disaster that still need recovery assistance. And we've sort of outlined a couple of different pathways for that. One is to use your emergency management staff to identify folks that are still displaced from the disaster and the other pathway is simply and this doesn't have to be scientific but in the target area drive through the areas that were hit, identify homes that appear to still be damaged from the disaster and survey at least nine of those folks to see that in fact, this was from the disaster and that they still have recovery needs that's not being covered by any other assistance. So that gets you the -- if you're going to do the housing path that's the way you can address your housing path.

For those -- there is a slightly different approach for the folks that got CDBG disaster recovery funds already and are running a housing program already. For those folks they're going to need to show that they've got a wait list that's longer than the funding they have already allocated to address those needs. For folks that have CDBG disaster recovery funds and are not running a housing program currently and all of their funds are accounted for for other activities they will need to use this method as I just went through on either identifying displaced folks or continuing recovery needs.

Jessie Handforth Kome: Right and one of the things we saw on specifics is that we did see some windshield surveys. I saw one in particular that did a windshield survey but windshield, driving around but they didn't actually survey -- tell us that the damage was due to the disaster and that the household had inadequate resources. We needed all of the boxes checked off to be able to accept the threshold. There's some really good pictures and it's pretty obvious that the houses are damaged; it didn't say what caused the damage and we just need that piece.

Todd Richardson: I was just at a -- there are plenty of homes that are damaged unrelated to disasters. We need to actually tie this back to the disaster.

Meg Barclay: And this gets to what we were saying on the webinar on Tuesday that we can't tell your story for you; we can't draw that conclusion. It has to be in black and white in order for us to be able to you know, look at and document the threshold review results.

Jessie Handforth Kome: Right a few of you we're very familiar with your situations in some cases but we're, by the rules of our firm act we have to treat everybody the same, which means we can only use the information you submit in your application; no matter what else we know.

Todd Richardson: So next up is infrastructure. You had damage infrastructure, there's some report. It can be a report from FEMA that shows that there is damage to the property.

Jessie Handforth Kome: We have a comment, did you see that?

Todd Richardson: I can't read that.

Jessie Handforth Kome: We have a comment about the engineering report whether getting a recertification or assessment after March 14 is reasonable given funding, that some of them don't have funding to update. So why did we pick March 14? Because it's one year before the submissions -- actual submission date, we said one year was reasonable.

Todd Richardson: Yeah so it's -- you don't -- it's not necessarily you have to have a totally new engineering report; you just need to have someone say that in fact this is still relevant today, this problem still exists, that the repairs haven't been made.

Meg Barclay: An engineer could recertify or revalidate the existing report without --

Jessie Handforth Kome: Or just in one case we saw a cover letter from the engineering firm who originally submitted who said this has not been repaired, this has -- this work has not been done.

Todd Richardson: And you have to show on this -- we do ask for a little source and use information because a lot of public infrastructure certainly couldn't recover by FEMA but not all of it and so we

need you to show this is the total cost of this project, this is the amount that's being covered by other sources, this is the amount unfunded. And the total amount of unfunded cost of infrastructure programs if it's over \$400,000.00 then that gets you qualified, as unmet recovery needs.

Jessie Handforth Kome: But we are dropping the sources and use statement requirement on the most impacted.

Todd Richardson: Yes.

Jessie Handforth Kome: We're only continuing with it -- it wasn't supposed to show up in most impacted. It was supposed to be in unmet recovery needs where it is. And that's where we're keeping it.

Todd Richardson: Right so we're making another technical correction on what's impacted on that front. Economic revitalization. So economic revitalization is a lot like the housing requirement in that we're looking for you to show to us that there is either businesses that had damage and you can survey the businesses and they can confirm that this is damage from the disaster that they still had recovery needs from. Or you can show that -- and you have to talk to the businesses again that they had a reduction in their revenues associated with this disaster that continues to be a problem. And so that's what we're requiring for showing continuing unmet needs on the business side of the house.

Jessie Handforth Kome: And again not a random sample. What's going to be the purpose of the sample?

Todd Richardson: Yeah we're just looking to show if you meet the -- you got to get the numbers -- you got to get the five businesses here and then you're okay on this factor. It only takes five businesses.

Next slide. Oh decrease in revenue. So this is sort of doing -- do you have fewer employees since the disaster; so you've actually had to lay people off because of this disaster or do you have less gross revenue associated with this? So this gives you the details sort of the boxes you have to check on the economic revitalization.

Next slide. Oh yes, I will say, go back to that slide. Sorry. We know that people are sensitive about their business data so we do want you to be careful with that and make sure it's not any public place and we're just going to use it to insure that you meet the requirements of the NOFA.

Next slide. And finally environmental degradation. This is similar to the requirement we have for infrastructure. We're looking to say that so now you will have shown most impacted that environmental degradation for example you had a fire that causes water problems that might cause a future flood that might cause substantial damage to housing businesses, great. For the -- for this purpose the concern is actually the fire itself and that there's a cost to rebuild the water shed and that you have an estimated cost for that and that that estimated cost less the amount of money that you already have to address it is \$400,000.00.

Jessie Handforth Kome: And this could include planting and it's not necessarily that you're going to build a wall to protect your water shed. It could also be a green solution, a green infrastructure solution or a -- which is planting or a berm or whatever you need to do to keep that fire damage from washing downstream in the next flood.

Todd Richardson: That's right and so that leads to questions which is the best part of these webinars. And so we'll look to get your questions now.

Meg Barclay: Already addressed a question that we had in the queue about whether a recent engineering assessment is a reasonable requirement and explained sort of what we're expecting there. But I don't see any other questions in the queue; is anyone else have anything else they'd like to --

George Martin: This is George, I just had a question come in the chat that I'm going to send to you that you can read aloud; you should have it in about a second.

Meg: Can you describe what you mean by protect your recovery?

Jessie Handforth Kome: Okay so the easiest way to explain protect your recovery and this is tying into the economic revitalization aspect of the law more than to any of the other aspects is you've gone back and you had water and sewer system and sewer is of course always on low ground and you repaired your water and sewer system and there really isn't anything you can do to mitigate it. But if you go off that property and onto some additional space and start building dunes so that -- you're just going to have regular rainfall is going to wash into your water and sewer and cause a problem now. Those dunes -- that part of it would be an action to protect your recovery; your recovery isn't going to you know last through you know six weeks without you taking care of providing some additional protection. We are aware that it isn't just damage, and Congress is aware that's why they put the economic revitalization in some ways a catch all category. The problem is that we cannot do straightforward looking mitigation the way the FEMA mitigation program can. You still have to tie back what you're doing to the effects of the disaster you had. We're getting a lot of questions. One of which we just referred to the lawyers, actually it came in the mailbox yesterday or the day before and I've already referred it to the lawyers. About if you had done all of your repairs and you want to go back and elevate the same home say or flood proof businesses, it said don't have any more repair need or unmet recovery need in the sense that we've been saying it. Can we put those resilient costs in and not view them as purely forward facing. And I haven't seen the case yet that will make our lawyers say yes, but if you come to us with an overall proposal that says "We're going to do these recovery things but they're not going to be effective unless we also do this habitat or this green infrastructure, or this flood wall, or this whatever" that protects our other recovery actions we can probably get there. Our problem is once your recovery needs are met can we double back on the resiliency on the same buildings that were definitely damaged? I'm not really sure where that answer is going to come.

And so I would say for phase one you should be working really hard on what your overall concept is for your community to be more resilient and really participate in the Rockefeller thing and I am pushing this answer as hard as I can right now. But I just don't have it yet. And I know this is -- that certain grantees have been asking -- applicants have been asking this and I'm going to tell you I'm working on it, I understand the question but we had a really strong answer from Congress about whether we could do a pure mitigation program and the answer was no. So we have to stay in bounds on the law we got on that.

Meg Barclay: Okay so this is a question about unmet need. Is the unmet need a direct tie to the most impacted characteristics? For example, there are more than 20 houses seriously damaged in the characteristic that most impacted in the target area. Therefore the unmet need requires

documentation or evidence that provides sufficient evidence to support this; or for example most impacted infrastructure target area there is an engineering report that estimates repairs at over two million and still needs to happen. Therefore that same report can be used to show the funding short falls \$400,000.00 if there is an adequate resource to address the shortfall.

Jessie Handforth Kome: That's a tangled up question, we're still reading carefully here.

Todd Richardson: The example you'll give, the latter example which doesn't seem -- I thought this question would be mixing and matching. That is you show that you are most impacted because you had 120 houses with serious damage and then you say for unmet recovery needs but we have an infrastructure project that has this much remaining damage. That's fine, to get to the threshold it's -- that is fine. Your example here is also fine where you'd say that there is -- you have an engineering report that shows that there's damage of two million dollars and you also have a sources and uses statement that shows that you don't have -- that you only have -- you have less than -- or you have more than \$400,000.00 that's not covered that's also fine.

Jessie Handforth Kome: The engineering report will work but you have to add a sources and uses for your unmet recovery need. The mixing and matching by the way only works if it's for the same area. You have to get one area through every single hoop; so we'll say that you hit threshold and we'll score your application. And but the area it can say most effective housing, it's a low met area but we have this infrastructure unmet recovery need you can do that as long as it's the same area. You just have to hit every one of most impacted one characteristic of distress and one characteristic for unmet recovery need. And we actually saw quite a lot of that mixing and matching; actually much more than I was expecting which is kind of interesting.

Meg Barclay: Okay this is another long question. Let me go ahead and read it. Can unmet need be a problem that presented itself, for example there was an issue that was uncovered during the disaster; therefore this manifested unmet need relates to the disaster but there is no documentation or evidence showing funding due to the fact that there can be no documentation about that problem in the most impacted requirements and or in the unmet need threshold requirements. For example we had fire, we didn't have water, we couldn't put out the fire. Manifested unmet need is water reservoir.

Jessie Handforth Kome: Oh this is a good question. So you had a fire, the fire caused damage. What damage did the fire cause that it might be an environmental. It could possibly be housing or infrastructure also on most impacted but I mean we're getting a lot of fire questions. And I'm assuring -- I'm assuming that this fire is a major. We have a few major declared disasters that are fires and we're not talking about a fire declaration. We're talking about a major fire declaration with means it damaged the environment somewhere because major fires do damage the environment a lot. Whether or not it burned down houses or not there are people who specialized in estimating the environmental -- the amount of environmental damage caused by fires and need to find them. My understanding is a lot of them are somehow affiliated with the department of agriculture. But I'm sure states understand this better than I do.

If you come to us and saw "We had a fire, caused this much environmental damage" and you can show us on distress that you hit one of the distress factors, which is probably going to be environmental degradation and probably documented with the same study or reports that you use for the environment -- the most impacted. Then you have to do an estimate of the damage to the environment and what it would cost you to -- most of the times fire as my understanding, most of

the time they're involved some form of planting, or soil break up and soil replacement in order to keep the -- to stabilize. But it depends if you're in California on slopes or not.

Todd Richardson: But going back to this question, this specific question here. There was concern that you couldn't put out the fire because you didn't have enough water. Well the first is done so your unmet need is either that you need to do something to -- to replant the forest to protect the reservoir or the reservoir was damaged and you have some evidence to show that there's damage to the reservoir, a cost estimate that --

Jessie Handforth Kome: In this case they didn't have a reservoir at all.

Meg Barclay: That's the unmet need that they're saying that they have --

Jessie Handforth Kome: And that's their recovery plan.

Todd Richardson: I see.

Jessie Handforth Kome: Was exposed by the fact that they didn't have enough water to put the fire out. In regular CDBGDR we would definitely let you at least partially fund a water reservoir. They serve a lot of other purposes besides just putting out fires. So it's always tricky to attribute the part of it that really belongs to the fire damage, how much would you need it and all that. Getting at it is more of a question -- I would actually tackle it almost through an unmet recovery need. It would work through the economic revitalization piece. I mean if you don't have a water reservoir and you're in fire country you're going to have a problem with insurance. And we allow indirect; so if you had a major fire and you didn't have a water reservoir and you're at risk for more fires is your insurance going up? This is a very interesting question. We would allow it in the main CDBGDR program to allow you to build a water reservoir. But we didn't construct the --

Todd Richardson: As a project --

Jessie Handforth Kome: As a project, but not as an unmet recovery need.

Todd Richardson: It's not a factor for the --

Jessie Handforth Kome: For just unmet recovery need.

Meg Barclay: The short answer is this is not an unmet recovery need, is that right?

Todd Richardson: That's correct.

Jessie Handforth Kome: I'm not sure; the need for the water reservoir is considered an unmet need. We're going to have to talk about this.

Todd Richardson: We'll do it FAQ for you.

Jessie Handforth Kome: We will, this one is going to take some thinking about.

Meg Barclay: You stumped us.

Jessie Handforth Kome: It's not about damage; you did stump us. Thank you.

Meg Barclay: Okay another question from the stumper. Would you please clarify -- can you please clarify the tie back to the disaster threshold as it relates to the resiliency threshold and unmet needs.

Meg Barclay: Oh yeah there is. An unmet need. How can a community implement resiliency when you are addressing an unmet recovery need? Therefore do project proposals need only to logically tie back to the disaster and reasonably and not address the specific unmet need. For example this tree burned down, the greater project that addresses trees, in general burning down but we don't have to actually address that specific tree?

Jessie Handforth Kome: Yeah that's kind of an interesting one also. And clearly our stumper likes sending us stumpers. The deal is that tie back is just a small part of some disaster recovery projects. So if you for example are -- have the five businesses you found that are out of business or have decreased revenues. Do you want to get them back where they were the day before the disaster or do you want to position yourself for a more prosperous future? What we say is once you have established that those businesses lost their revenue or risked damage by the effects of the disaster you can then look at those businesses and do the assistance that you need to do to not only get them undamaged again, get them to where they were the day before the disaster, but turn around and position them so that they will help drive your community forward in a way that fosters your economic revitalization.

We say specifically in the NOFA that you don't have to re-have a house -- you can include resilience costs in the cost of re-having a house or re-having a piece of infrastructure. You can -- if you lost a whole bunch of seashore for example, if a big nor'easter clawed away your shore and you now have a lot more houses in the flood plain you can run a bio program in that flood plain. Those places were damaged by suddenly having -- economically damaged by suddenly having to have insurance in their flood plains and they're not elevated and they're at risk. So there is -- those are effects of a disaster. So yeah the resilience is what happens after you establish tie back. Tie back just means that you're -- when your eventual project is going to meet these most impacted distress unmet recovery need thresholds. The kernel of it, the very core of it and it may be all that you decide to do with this money but we're encouraging you to think about while you're doing that, addressing the damage go bigger.

Meg Barclay: Okay so the next -- I'm a little worried that we're getting into the project realm again which is really tempting when we were talking about a competition? But I --

Jessie Handforth Kome: Projects will not be responsive to phase one.

Meg Barclay: Right I want to make sure that we get back onto the -- how do you meet this incredibly difficult to meet threshold --

Jessie Handforth Kome: Plenty of people get through unmet recovery need; a lot of people do.

Meg Barclay: So can you explain again what can be aggregated and what cannot? Can I aggregate census track to get to two million dollars and the most impacted for infrastructure or does the two million need to be in each census track?

Jessie Handforth Kome: The two million is in each census track because you talk about most impacted. What you can do is if you have established that you have two million in impact in each of five sentence tracks but each one of those only has \$100,000.00 in unmet recovery need remaining. When you get to unmet recovery need you can add up all those \$100,000.00 and get \$500,000.00. So most impacted is you have to be hit hard in a sub county area if you don't -- if it's not one of the nationally most impacted counties that we identified. That's what the two million is. The -- for the most impacted and that's saying that you were just hit really hard. Unmet recovery need is an aggregation across all of the impact that you've identified of the total sum of unmet need dollar amount left, right? Did I get that right? I'm asking Todd now.

Todd Richardson: So sorry about that, a little clarification on that. So let's say you have an area and you've got -- so we'll do most impacted first.

Jessie Handforth Kome: First the sentence track in my example would not have been contiguous.

Todd Richardson: Right so in Jessie's example they wouldn't have been contiguous. Let's say you have contiguous census tract for your most impacted area. If you have contiguous census tracks those can qualify for your most impacted two million dollars. You got three census tracks --

Jessie Handforth Kome: In the same county.

Todd Richardson: In the same county, in that same sub county area then those could be combined together to get your most impacted. And then you have another census track that's not connected, that's over an area still in the same county that's a little bit a ways away and that also has two million dollars in infrastructure needs, say but you can combine all of those together for most -- for the unmet recovery needs to get to your \$400,000.00 threshold.

Jessie Handforth Kome: But not for most impacted.

Todd Richardson: I'm sorry that's a little unclear.

Jessie Handforth Kome: It's because places -- we're allowing places -- place names are sometimes made of a few -- several sentence tracks that all relate to each other. Again we explained on the most impacted and distressed when the way we calculated out or figured out the thresholds for most impacted is related to being in a sub county area, it's calibrated to that. So that's why we're being fairly picky about the amount of need and the sub county area and how you can add things up and not add things.

Meg Barclay: So do cost estimates have to be verified or done by a third party?

Jessie Handforth Kome: We didn't specify third party done or verified. We just specified like for engineering report we'd like an engineer to do it. Third party is gold standard but we are trying to set this bar more than gold standard; we'd like to see you get into this competition.

Todd Richardson: Yeah we want something that's achievable here that you just need to demonstrate that you actually have had significant damage and have unmet recovery needs.

Jessie Handforth Kome: Right and it can't just be a simple assertion; if you want to say "I, local government, estimate that this cost is this"; you need to tell us how you estimated the cost. If you

went out to a -- and you submitted your documentation or report from a contractor, economic development firm that does these kind of estimates all the time you know, that -- that's not a simple assertion, that's an actual report that you commissioned. Either way though just tell us how you built up the cost estimate. There are definitely counties, public works departments all over the country who are perfectly capable of working out cost estimates without contracting out. So just tell us how you figured it out.

Meg Barclay: When would you say engineering report that we do want to --

Jessie Handforth Kome: When we say engineering report we need --

Meg Barclay: Or say it was done by an engineer.

Jessie Handforth Kome: Yes prepared by, with all of those initials.

Meg Barclay: Yeah.

Jessie Handforth Kome: That go after an engineer's name.

Meg Barclay: Okay so the next question is just successfully meet a threshold under one category, for example infrastructure. Can there include other categories for example housing in application?

Jessie Handforth Kome: You can include all the categories you want. We actually had a couple of attempts at hitting every single combination of boxes, nobody successfully did it but there were some very, very impressive attempts at doing it. What we said was you need to get at least one area through most impacted and stressed and unmet recovery needs to get scored. But anything that you want to eventually extend grant funds on is going to have to be in a tie back project that meets all of those thresholds. So that's one of the reasons that there is an allowance between phase one and phase two for updates. Once you finally extract a project out of your phase one planning you may need to go back and work on tie backs. So the answer is yes.

Meg Barclay: This is a follow up from the power grid question. It's related to unmet needs so I'm going to allow it at this portion. Amending the -- they're trying to understand if making a power system more resilient now when there was damage in the disaster after the power has been turned back on if that can qualify as an unmet need.

Todd Richardson: Sorry about that.

Jessie Handforth Kome: Todd and I keep having side bars over these because these are good questions and we're having to make sure we agree.

Todd Richardson: So the answer to that is no. You've essentially already recovered in this circumstance and so for purposes of passing this threshold item of having continuing unmet recovery needs you don't have those continuing unmet recovery needs because you didn't -- because you've already made the repairs. Even though had you had more money you would have repaired it better because you've made the repairs; the answer is no for this threshold criteria.

Jessie Handforth Kome: The interesting thing is if you can meet a national objective then regular CDBG could do this work if it was part of your plan. The problem is that CDBGDR has to have this

additional tie back. That's one of the reasons that's making these questions tricky is that you have to get out of the regular program mindset to get there. Okay this is a good one. If the town inspects their damage from the qualifying disaster including the cost makes it more resilient. But already funded the repair damage -- to repair the damage but not the resilience cannot count as an unmet recovery need.

Todd Richardson: Same answer as the answer we just give. If they finish the repairs so they don't have unmet recovery needs and that --

Meg Barclay: Okay, I think somebody wants to clarify that what we're saying is not the new definition of what MID-URN says. You can aggregate some census tract to create one sub county area, is that correct?

Todd Richardson: Yes.

Meg Barclay: Okay there was another one.

Todd Richardson: They have to be contiguous --

Meg Barclay: They have to be contiguous, okay.

Jessie Handforth Kome: The sub county area in the NOFA for most impacted you should know it should have said such as. We did allow census tract that were contiguous and grouped together in the same county you know, as a single sub county area. We just -- that's one of the technical things we're fixing. And we did read your letters that way.

Meg Barclay: Can a watershed should be considered as a sub county area as it encompasses portions of counties.

Todd Richardson: You would need to have that sub -- you'd have to qualify each of -- each separate county separately here. So if the water shed travels three counties each county, sub county area that that watershed is in would need to be --

Jessie Handforth Kome: Listed separately.

Todd Richardson: Separately, so you'd need to demonstrate the most impacted and distressed for each of those sub county areas.

Jessie Handforth Kome: But we got one -- I actually can guess who is asking this based on this -- you can use the same report and point out the places in the report that cover each of the sub county areas because we know water sheds don't have necessarily natural county boundaries. But we have an example of when in the history of CDBGDBR where a water shed is actually interrupted by a major granite ridge. And so the areas that are in the water shed aren't actually all contiguous, it's a very odd situation so we want you to qualify each sub county area because we know that that area is actually in play in the eligible applicants.

Meg Barclay: Ok here's another one. For the uses for an infrastructure project can the applicant create the sources and use of themselves, can you provide an example of the type of information that would be required?

Todd Richardson: Yes the applicant can provide that -- develop that themselves and all that we are asking for is sources, FEMA public assistance funds \$2,000 dollars uses and that's all the sources there are, uses repairing this water and sewer plant \$1,500,000.00 to -- and here's the estimate of that. Hence the shortage is \$1,000,000.00.

Jessie Handforth Kome: Just like a little two column spreadsheet. It doesn't have to be -- we're not looking on uses for you know a total breakdown in construction cost, labor, materials and all that although we got a couple of those, thank you. We are looking for a very basic sources and uses and a statement that you don't -- that you have a short following. Make sure we can understand clearly what the short fall is.

Todd Richardson: This is especially true for -- for folks who also had CDBG disaster recovery funds already, you especially need to make sure you show to us that you do not have any funding available out of your existing grant to address those unmet recovery needs because we can't have a duplication of benefits problem here.

Jessie Handforth Kome: Especially not within our own grants. Wow you guys are asking a lot of questions. Give us a sec while we sort out what to answer next.

Meg Barclay: There is another question being confused by the last answer in regards to spending secured for basic repairs versus basic repairs completed. You have funds for basic repairs but haven't done the work yet, does the mitigation or resiliency work count as unmet need?

Jessie Handforth Kome: Yes if you have not yet done the work but you -- and you lay out for us a project that includes the repairs and you show us an engineering report that includes the repairs plus resiliency and show us in the sources and uses that you do not have enough money to do them both then yes, you have an unmet need for that project. We allow resiliency incorporated into the tie back project if you have not done the work yet.

Meg Barclay: Okay so a couple of more project or activity related questions just keeping in mind that that's not a requirement or not something we're looking for in phase one but we are out of unmet recovery need questions right now. So question generally what is funded through this grant, just the recovery projects or also additional things that bring resiliency to the area?

Jessie Handforth Kome: The -- what we're funding are resilient recovery projects. So they are -- we can fund in CDBG terms activities that have tie back to recovery from the effects, direct and indirect effects of the qualified disaster. That's exactly what NOFA says. And can you do -- we've been asked can we do a statewide resilience plan? No, because the law says that you can only provide benefit to the most impacted and distressed areas related to recovery of disaster. So we need you to make most mean something by selecting the most impacted areas. What we're looking for is for you to look at our money, our grant funds as seed money because a billion dollars spread across country really isn't that much money for this kind of heavy lifting recovery that we're talking about. As seed money and you're putting some money in the game too so if you want to do a statewide plan that's going to incorporate some cost for the most impacted areas find other funding for parts of the plan and use the CDBG and DR funding for part of the plan.

One of the really cool things about the Rockefeller Foundation effort that I discovered when I attended the summit which was their kick off was that they are bringing in local philanthropies and

a lot of other funders who are really intensely interested in helping with exactly that sort of thing. So if you're not already participating in the Rockefeller effort I would say that that would be a really good reason to participate is that you can get connected to maybe some sources of funding in your area that you didn't know about that are interested in resilience if you're going to go in that direction. But we -- our funding is focused on meeting the resilient recovery needs of the most impacted and distressed areas with unmet recovery needs because that's what the law directs.

Meg Barclay: Okay another unmet need question came in. Can an engineer's estimate for the cost to build a major mitigation project to be used as basis to establish the amount of unmet need.

Jessie Handforth Kome: If it's pure mitigation probably not. If it's a mitigation project that has a tie back somehow to the recovery disaster I mean they're going to have to establish that this is something that's related to damage or a direct effect from the disaster that's caused harm, we're saying harm. The disaster caused them harm that you're addressing. Straight HMGP projects a lot of them are not going to get your through this threshold.

Meg Barclay: Okay so it sounds like we do have one question on the phone. Maybe we can go to the phones?

George Martin: Lois Colson has a question and Lois you're on mute. I'm going to un-mute you now and you'll be able to speak and ask your question.

Lois Colson: Hi can you hear me?

Jessie Handforth Kome: Hi Lois. Like the old times, neighborhood sales agent.

Lois Colson: Can you hear me?

Jessie Handforth Kome: Yes we can hear you Lois.

Lois Colson: I keep having this automated voice speaking to me, just a moment.

George Martin: Lois you should be good. I think there was --

Lois Colson: Okay, am I here?

George Martin: You're on, yep.

Lois Colson: All right, thanks. Hi, good to hear familiar voices. I'm going back to an earlier question that one of my colleagues wrote in about successfully tying back to one of the categories, successfully meeting the threshold criteria for one category but then later in phase two we want to do some projects let's say in a category that we may not have met the threshold; is that possible?

Jessie Handforth Kome: So you're not going to be able to use our money for an activity that isn't tied back to the threshold some way.

Lois Colson: To the threshold that we met; even if we talked about one and we didn't meet it in that category?

Jessie Handforth Kome: The threshold is for an area. The threshold is for most impacted and distressed area with unmet recovery needs. So --

Lois Colson: That's not separated by -- the infrastructure housing and environmental and all that is not about meeting a threshold in each category; is that right?

Jessie Handforth Kome: Wait just a sec. Yes they are. I mean you don't have to hit housing in every box for example but what happens then because we're only talking about phase one and only talking about getting through the threshold right now, okay? So you're trying to be on toward phase two which is about projects. We're not about projects yet. So I'm going to tell you that every funded, grant funded activity when we get all the way through phase two and you're actually funding activities is going to have to tie back to the disaster and be in a most impacted and distressed area with unmet recovery need. That's why the one question is so hard that we had to punt on early in this webinar, right because that's an example of a potential project inside an area that might be able to qualify for unmet recovery need. That might have a tie back to the disaster but it's not -- it's not tied to -- itself doesn't relate to damage and the unmet recovery need relates to harm. So you've got to get off this project mentality and this later mentality and really focus on -- I assume you're still in Louisiana, right?

Lois Colson: Mm-hmm.

Jessie Handforth Kome: Meeting a -- setting up those most impacted and distressed areas that meet an unmet recovery need, get your area through the box then get your idea or concept through phase one through the box and then start worrying about projects.

Lois Colson: So don't worry about the category so much as just showing what our unmet need is.

Jessie Handforth Kome: Threshold first, yeah unless you have some unmet need in that area or we can't -- you're not going to get scored. You're not going to get through the --

Lois Colson: Okay let me ask really quick just a different way. So if we do include -- we're trying to show an unmet need in let's say infrastructure and housing and environment -- excuse me, economic development. We could still get through if we show and demonstrate the unmet need in two of three of those or one of three of those. We could still get through.

Jessie Handforth Kome: You just need one. You just need one.

Lois Colson: But we won't be allowed to use activities in those ones we don't get through on?

Jessie Handforth Kome: You want to be able to have activities in the sub county areas. In your case the reason I outed you as being from Louisiana is because Louisiana is one of the states that has both most impacted and distressed counties to clear by HUD and counties where you have to do sub county areas. So you have the dual issue there. And so you need to -- you need to demonstrate unmet recovery need after your disaster CDBG grant you know in the counties we declared most impacted and distressed which is one set of problems and you have to get through all three thresholds for each of the other areas that you want to include at potential areas for you to be spending funding and later.

Todd Richardson: To clarify I think Lois, if I understand correctly you're going to do some project later one once you've identified this area you're going to do some project later on and you want to know if I'm going to do a housing project and I got qualified as an infrastructure -- the area got qualified because it had infrastructure needs. Can I still do that housing project?

Jessie Handforth Kome: If it ties to some unmet recovery need. Now it's a perfectly rational response for example because sometimes build infrastructure when your need is housing. If building a levy protects your housing and allows it to recover and you don't need to put your money in there. That may be -- you're going to have to establish a logical link later if we get down the road. And it may be that to protect your -- to get your businesses to come back you need to put housing in or something like that or you need to do a buy out and move people in response to something else. But first you have to establish what the unmet recovery need is before you start designing projects to address that need.

Lois Colson: Okay so we may get in on one -- okay we may get in on one but if we can show an indirect way that that meets that unmet need.

Jessie Handforth Kome: A logical chain. The indirect one is the hardest, but yes.

Lois Colson: All right, thank you.

Jessie Handforth Kome: Direct is better but the fires are a classic example of something where you may end up doing something indirect you know --

Lois Colson: Did you just say direct is the hardest?

Jessie Handforth Kome: Direct is easy; indirect is --

Lois Colson: Easy, yeah okay. I thought you said hard. Okay. Thank you.

Jessie Handforth Kome: Fires are an example of where indirect might end up being the response of what I was saying; that's all --

Lois Colson: No.

Jessie Handforth Kome: We have more fires than we're used to.

Lois Colson: We have more water -- we have the water for the folks with the fires if we could make that work.

Jessie Handforth Kome: Yeah maybe you got that, Louisiana can ship water anywhere.

Lois Colson: Build a pipeline of water.

Meg Barclay: I have another written question and then -- can the 25% cost share to FEMA qualify as an unmet need if it can be demonstrated that the cost share cannot be met by local government?

Jessie Handforth Kome: Yes. If it's cost share for PA the answer is a definite yes. If its cost share for hazard mitigation grant program you still have to establish the unmet recovery need for HMGP project. George can you take us to the next verbal question?

George Martin: Sure it's Aaron Coche; you're un-muted sir and can ask your question.

Aaron Coche: Great it's Aaron Coche from Chicago. Thanks so much for hosting this. My question is related to using an engineer's report to establish unmet need. We have an area that is -- we're obviously in a county that is declared most impacted and distressed and we have an area where we can demonstrate flooding occurred through on calls and through the number of applicants to FEMA for individual assistance; so we have good data to back that up. The question is can we use our engineers report in this particular area to state a dollar amount of unmet need for mitigation project so that these areas don't flood again in the future?

Todd Richardson: So that's a good question that the project doesn't exist right, so you have had flooding so really your unmet -- you have to have an unmet repair cost so this is again a mitigation project that unless -- unless you had sort of the infrastructure damage and you can show that you have unmet repair damage to that infrastructure then no. So you're going to need to -- you're actually going to need to show that there is still some sort of recovery need from your disaster and it could be the housing, right? You could say -- if you could identify these houses still haven't repaired back from the flooding disaster and so we have this many houses that still have this -- have some damage and that's -- that would be your unmet recovery need in the situation. So just because you need to have -- I mean that would be getting down to the project like you might be proposing later on building some sort of an infrastructure project to address the flooding as your -- as your project, we still need to have this unmet recovery need which is not that mitigation project.

Jessie Handforth Kome: Yeah you have to have an unmet recovery need to pivot off of before you start planning the project.

Todd Richardson: Sorry. Do you need more clarification on that?

Jessie Handforth Kome: In some cases and you're not one so we do have a couple of cases that told us that they expressively only did temporary repairs. You have to document to us that the repairs were only intended to last in both those cases for about a year while they figured out what to do. And the engineer report says you know these aren't going to last; that's not a fully repaired item. Again so the question that matches up with the earlier question like we haven't done the work at all, it's not repaired but we have the money, can we add resiliency to it and the answer to that is yes. So you need to find that damage that's not repaired yet to get through the threshold. And we set the bar at \$400,000.00 because that's not that much in infrastructure land.

Aaron Coche: Okay so what we'd have to do is demonstrate that the infrastructure has not been repaired.

Jessie Handforth Kome: Yeah that you still have remaining damage that needs repair. Or the housing near it has remaining damage that hasn't been repaired and then -- but then later maybe you'll come to us and say but your response is going to be in infrastructure instead of housing. But first you got to tell us where the damage is to get your threshold.

Todd Richardson: You had an awful lot of houses damaged by that disaster.

Aaron Coche: Okay thank you.

Jessie Handforth Kome: Yep, thank you. Do we have any more questions?

Meg Barclay: We have another funding sort of question short of any other unmet needs -- unmet recovery need questions we'll go ahead and answer this one. A question about a concept including increasing community cohesion, will HUD money be able to fund some of those activities? If yes, can we help them understand how to tie that back to the disaster?

Jessie Handforth Kome: Okay so you're moving on from the unmet recovery need, right? You're -- which is where this threshold -- this threshold webinar is about your unmet recovery need so we're going to kind of have to stipulate that you -- that you met most impacted distress and you established an unmet recovery need somewhere. If you want to do some work on community cohesion one of the ways to do it is under planning and admin of course, fairly obviously? But another way to do it is using funding that you count towards your leverage to pick up points of the competition. CDBG is still largely a bricks and mortar program. And it is possible to do some public service activities that will increase your community cohesion but it's not the easiest thing to get at with the program that's really focused hard on bricks and mortar. If you had a CBDO involved, community based development organization you might be able to get further. And that might be possible to do as a neighborhood revitalization project for example. But we're just -- we're not that far down the line where, you know this is really an eligibility question.

And we're just not really thinking that far. If your idea or concept involves community cohesion as part of it, that would be really cool. It's obviously a very good one for resilience whether it's going to ultimately result in a fundable project I couldn't tell you.

Meg Barclay: Okay it sounds like there's another question on the phone.

George Martin: Yeah Mark Thompson has a question. Mark you have your hand raised but your phone. I can't un-mute you; you're going to have to un-mute yourself by pressing *6 on your telephone keypad.

Mark Thompson: Hello.

Jessie Handforth Kome: Hello.

George Martin: We can hear you.

Mark Thompson: Okay, yeah I have a question related to -- the guy that asked the burns car 01:10:33] question yesterday and so I have a question relating to unmet recovery need in the category of environmental degradation. What data are you anticipating or expecting requiring to support reforestation and tree planting, as an environmental degradation unmet need? What data would you be looking at that would best justify that?

Todd Richardson: You have an estimate for the cost to replant the trees?

Mark Thompson: Yeah and who would do -- I mean who do you want to see that from? I mean obviously it's not going to be an engineer, but we may be able to get certainly Bureau of Affairs,

Forestry Department or State of New Mexico Forestry or somebody like that. I'm just wondering who do you want to see that from?

Todd Richardson: Any of those would be fine; we just say a reputable source.

Mark Thompson: Right and that's I guess what I'm trying to drill down on is what do you consider a reputable source when it comes to something like that?

Todd Richardson: One of our federal colleagues will consider that a reputable source for sure. And usually if it's the state government, same thing if it's a state agency.

Jessie Handforth Kome: We had at least one bring in a university department who wrote a report, a professor who described you know and established that they were an expert in the area. You need to find somebody that if we get crazy and random and Google them we're going to find them as a reputable source.

Mark Thompson: Okay, all right. Thank you.

Jessie Handforth Kome: Sure.

Meg Barclay: That's our last question I believe; so unless there's anymore coming in through the Q&A box -- oh wait. Yeah I think we got them all.

Jessie Handforth Kome: Okay does anybody have any additional questions? I know I have four right now in the resilient recovery mailbox that I will be getting to and those of you who are sending me questions directly to my regular mail, know that I forward them to the resilient recovery mailbox and I answer them from there because I just need everything to be in the records. It helps me keep track so I can make the FAQ's.

Meg Barclay: All right. I believe that we are done. Thank you for your time this afternoon; I hope this was a helpful use of your time. Everyone have a great weekend.

Jessie Handforth Kome: This was a great group.

Todd Richardson: Thank you very much.

Jessie Handforth Kome: Thank you George.