



CDBG Disaster Recovery Eligible Activities

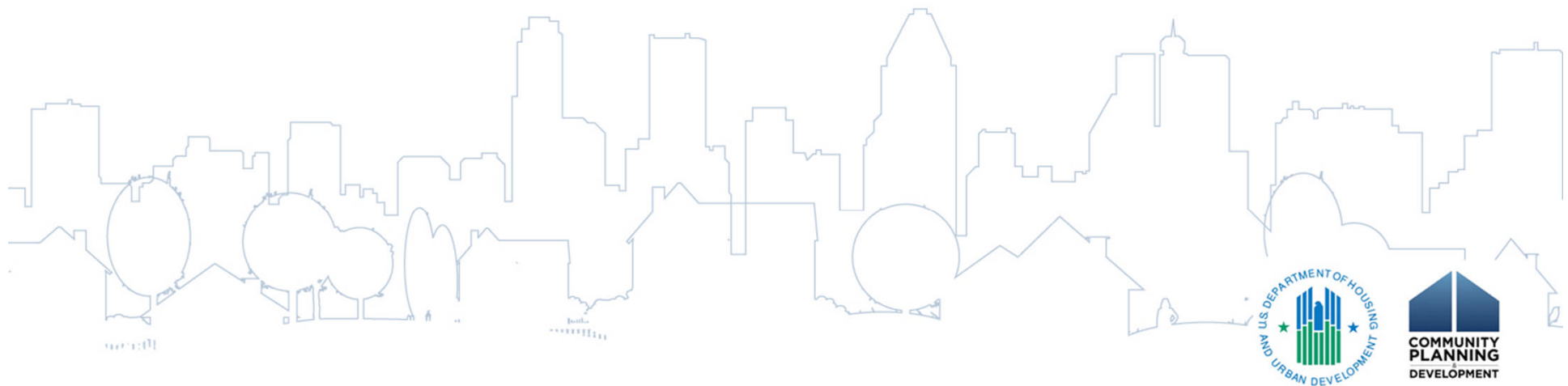
A dark blue silhouette of a city skyline and residential neighborhood. The skyline features various skyscrapers and buildings of different heights. In the foreground, there are silhouettes of houses, trees, and a fence, suggesting a suburban or urban residential area.

U.S. Department of Housing and Urban Development

Welcome

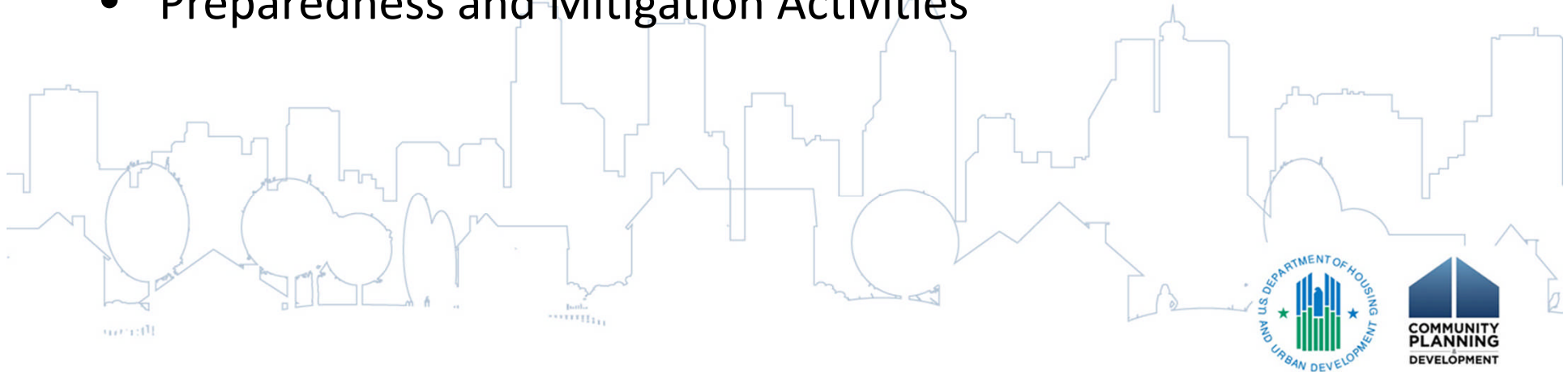
Goal for today:

To get a broad understanding of the CDBG-DR eligible activities that grantees under Public Law 113-2 have at their disposal.



Overview

- Discussion of Disaster Relief Appropriations Act, 2013
- Tie Back to the Disaster Requirement
- Housing Activities
- Infrastructure Activities
- Economic Revitalization Activities
- Preparedness and Mitigation Activities



Disaster Relief Appropriations Act, 2013 (P.L. 113-2)

Appropriation Facts & Highlights

- Funding - \$16,000,000,000 in CDBG-DR funds
- Funds will be available until September 30, 2017
- Funds will cover necessary expenses related to
 - disaster relief,
 - long-term recovery,
 - restoration of infrastructure, housing, and economic revitalization
- Funding covers Hurricane Sandy and other disasters in 2011, 2012, and 2013



Tie Back to the Disaster Requirement

All CDBG-DR activities must clearly address an impact of the disaster. This means a CDBG-DR eligible activity must:

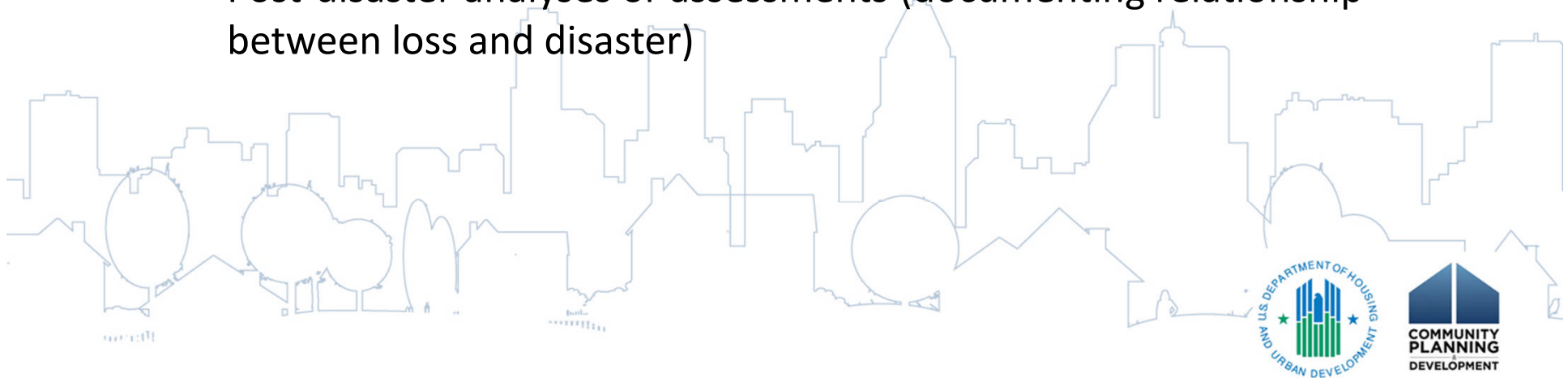
- Meet a national objective;
 - Activities Benefitting Low/Moderate Income Persons
 - Prevention/Elimination of Slums or Blight
 - Urgent Needs
- Address a direct or indirect impact from the disaster in a county covered by a Presidential disaster declaration, and
- Be located in a most impacted and distressed county as identified in the Notice.



Tie Back to the Disaster Requirement

How This Requirement Can Be Shown

- For physical losses
 - Damage or insurance estimates (the most effective tool)
- For economic or other non-physical losses
 - Post-disaster analyses or assessments (documenting relationship between loss and disaster)



Tie Back to the Disaster Requirement

Unmet Need Arising from a Previous Disaster

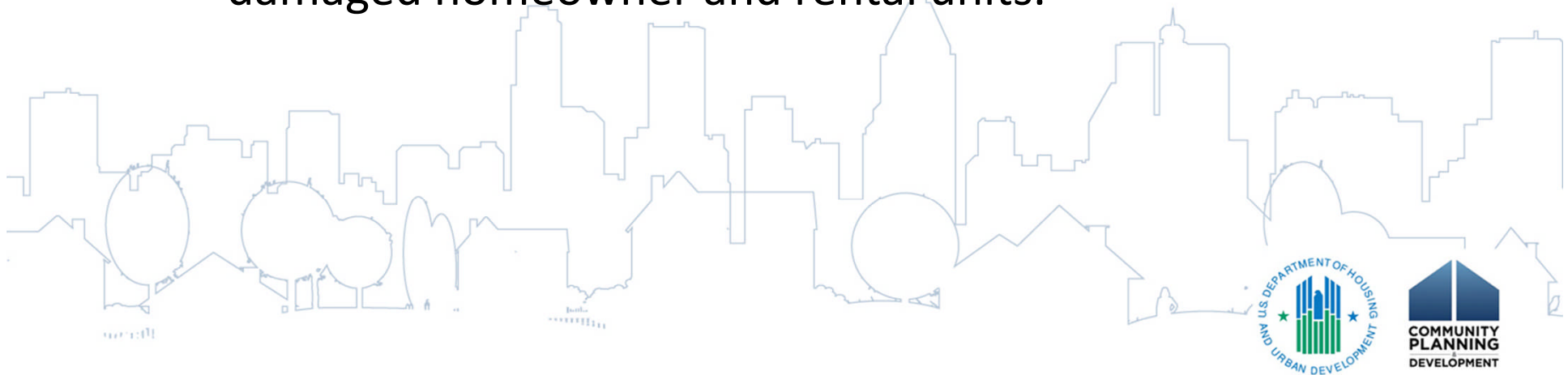
- Funds may be used to address an unmet need that arose from a previous disaster, which was exacerbated by a disaster cited in the Appropriation.
- If an impact or need originating from a disaster identified in the Appropriation is subsequently exacerbated by a future disaster, funds may also be used to address the resulting exacerbated unmet need.



Housing Activities

Typical Housing Activities

- New construction and rehabilitation
 - single family or multifamily units (including garden apartments, condominiums, and housing cooperative units).
- Most often, grantees use CDBG-DR funds to rehabilitate damaged homeowner and rental units.



Housing Activities

Housing Activities Not Damaged By the Disaster

- Grantees may fund new construction or rehabilitate units *not* damaged by the disaster if the activity clearly addresses a disaster-related impact and is located in a disaster-affected area.
- Disaster-related impact effects
 - quality,
 - quantity, and
 - affordability of the housing stock
- Disaster-related impact results in the inability of the existing stock to meet post-disaster needs and population demands.



Infrastructure

Examples of Infrastructure Activities

- Repair of damaged public facilities
- Replacement of damaged public facilities
- Relocation of damaged public facilities



Economic Revitalization

Wide Range of Economic Revitalization Activities

- Activities not limited to “special economic development” activities under the HCD Act or to activities that create or retain jobs.
- Economic revitalization can include any activity that demonstrably restores and improves the local or regional economy, such as addressing job losses.



Economic Revitalization

Examples of Economic Revitalization Activities

- Providing loans and grants to businesses,
- Funding job training,
- Building education facilities to teach technical skills,
- Making improvements to commercial/retail districts, and
- Financing other efforts that attract/retain workers in devastated communities.



Economic Revitalization

Grantee Requirements

- For direct assistance to a business, funds may only be provided to a small business, as defined at 15 U.S.C. 632(a) OR a business that the grantee can demonstrate that funding is both reasonable and critical to long-term recovery.
- Must address an economic impact caused by the disaster (*e.g.*, loss of jobs).
- As part of its needs assessment and Action Plan, the grantee must clearly identify economic loss or need resulting from the disaster, and how proposed activities will address the expressed loss/need.



Preparedness and Mitigation

Advantages of Preparedness and Mitigation

- Preparedness and mitigation measures for rebuilding activities helps to ensure that communities recover to be safer, stronger, and more resilient.
- Preparedness and mitigation measures also reduce costs in recovering from future disasters.



Preparedness and Mitigation

Requirements

- Mitigation measures not incorporated into rebuilding activities must be a necessary expense related to disaster relief, long-term recovery, and restoration of infrastructure, housing, or economic revitalization.
- Costs associated with mitigation measures may not prevent the grantee from meeting unmet needs.



Questions?

