



Organizational Models

Important Note for Grantees

These resources are generally applicable as guidance to grantee years covered under the Consolidated Notice and for prior disasters (i.e., disasters occurring in 2019 or earlier).



Because grant requirements have changed over time since resources in the CDBG-DR Toolkit were originally developed, **grantees should consult Federal Register Notice requirements specific to their disaster year.**

There are different ways to implement your CDBG-DR Program. You can implement the program directly (**Direct Implementation Model**) with your own staff hiring additional personnel as needed to addressing any gaps in staffing (State grantees require a waiver from HUD to carry out activities directly). You can partner with other government agencies, subrecipients, and contractors (**Partnership Model**) to implement the program, or if you are a State CDBG-DR grantee, you can provide funding to local governments to carry out projects (**Method of Distribution Model**). Grantees often use a combination of these models based largely on their own internal capacity, expertise to implement different types of programs, and ability to obtain approval to hire additional staff to help with implementation. Grantees can also choose to procure discrete activities such as environmental review or IT and reporting systems or discrete program activities that a grantee may not have the expertise to implement.

DIRECT IMPLEMENTATION MODEL

Grantee implements and operates program directly in house without relying on partners. Under this model a grantee may also hire a contractor to help with discrete tasks such as developing the Action Plan or overseeing information technology.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Grantee can control and closely oversee all activities including program design and delivery, monitoring and oversight, and program closeout • Grantee controls funding at all stages of process • All decisions are centralized • Grantee can impose uniformity in design and limit jurisdictional differences in program requirements • Grantee can spend less time on coordination and consensus building 	<ul style="list-style-type: none"> • Grantees may have limited internal resources including staff, space, and program expertise • Grantees may find it difficult to hire staff given the temporary nature of the program • Fiscal realities may prevent grantee from obtaining sufficient staff and related resources to implement program

PARTNERSHIP & METHOD OF DISTRIBUTION MODEL

Grantee makes all key decisions but delegates all or some aspects of program management or projects to partners such as State agencies, local governments, nonprofits, developers and contractors. A full list of potential partners is provided below.

Advantages	Disadvantages
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| <ul style="list-style-type: none">• Grantees may not need to hire as many new staff to implement programs and carry out projects• Grantees can choose the best partners to implement activities, projects, and/or programs with proven experience and expertise• If State grantee, programs can leverage the local governments' existing processes and systems instead of creating new ones | <ul style="list-style-type: none">• Grantees must address a greater risk of non-compliance and/or inconsistent policies/procedures and put in place sufficient oversight controls• If State grantee, local governments may not have capacity and skills necessary to carry out program activities• Local control over programs can complicate efforts for a coordinated regional recovery |
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<https://www.hudexchange.info/programs/cdbg-dr/toolkits/program-launch/>

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Potential Partners for Partnership Model

Potential Partner	Typical Capabilities of Partner Type	
<p>State agency</p> <p>State agencies that are not the CDBG-DR grantee and can assist the grantee in implementing a CDBG-DR funded program, portions of programs or administrative activities. These agencies may include:</p> <ul style="list-style-type: none"> • Environmental protection or natural resources agency • Public utilities agency • Transportation agency • Education agency • Health and human services agency • Housing and community development agency • Emergency management agency • Insurance agency • Agriculture agency • Labor agency 	<p>The capabilities of these partners will vary depending on the agency. These partners can assist with implementing programs that are similar to the types of programs they currently run. For example the environmental agency may know more about flood mitigation than the grantee.</p>	<ul style="list-style-type: none"> • Environmental review necessary for all DR programs • Buyout programs • Environmental infrastructure programs (water/wastewater systems, dune replenishment, wetlands restoration) • State and local nonfederal cost share program <hr/> <ul style="list-style-type: none"> • Energy resiliency program • Transportation infrastructure program • State and local nonfederal cost share program (for FHWA funded programs) <hr/> <ul style="list-style-type: none"> • School Rebuilding Program <hr/> <ul style="list-style-type: none"> • Hospital and Health Center Rebuilding Program • Supportive Services Program <hr/> <ul style="list-style-type: none"> • Homeowner rehabilitation program • Small rental repair program • Special needs housing program • Multifamily rental housing program • Public Housing Authority program • Neighborhood and community revitalization program • Blight reduction program • Lead hazard risk reduction program • Foreclosure prevention program <p>Typically Memorandum of Understanding or Memorandum of Agreement. The type will be determined by individual government practice regarding the form of inter-governmental agreements.</p>



Potential Partner	Description	Typical Capabilities of Partner Type	Examples of CDBG-DR Programs Partners Could Implement	Type of Agreement
			<ul style="list-style-type: none"> Emergency management agency <ul style="list-style-type: none"> Hazard mitigation program Buyout program State and local nonfederal cost share program (for FEMA funded programs) Insurance agency <ul style="list-style-type: none"> As regulatory agency, can assist with issues related to State licensed private insurers and prevent private insurance payouts being used to pay down mortgages. Agriculture agency <ul style="list-style-type: none"> Grants and loans to agri-businesses Labor agency <ul style="list-style-type: none"> Job training program 	
Authority	<p>Quasi-state agencies, typically governed by governor-appointed boards.</p> <p>Legal status varies State to State. These agencies may include:</p> <ul style="list-style-type: none"> Housing finance agency Economic development agency Redevelopment authority Airport authority Water authority Sewer authority School authority 	<p>The capabilities of these partners will vary depending on the agency. These partners can assist with implementing programs that are similar to the programs they currently run. For example a housing finance agency can use CDBG-DR funding to develop multi-family affordable rental housing while a sewer authority can run a program to make sewer repairs.</p>	<ul style="list-style-type: none"> Housing finance agency <ul style="list-style-type: none"> Financing for housing development including owner-occupied, rental, and permanent supportive housing Economic development agency <ul style="list-style-type: none"> Job training program Grants and loans to businesses for repairs or working capital Redevelopment authority <ul style="list-style-type: none"> Predevelopment and land acquisition grant and loan programs; Housing (typically rental), commercial, and industrial development grant and loan programs Airport authority <ul style="list-style-type: none"> Airport rehabilitation and financing program Sewer authority <ul style="list-style-type: none"> Sewer repair and replacement program School authority <ul style="list-style-type: none"> School rehabilitation program 	<p>Memorandum of Understanding (if not distinct legal entity) or Subrecipient agreement (if distinct legal entity)</p>
Nonprofit	<p>Local organizations with missions related to housing, community and economic development, and/or providing social services.</p>	<p>Similar to a State agency the capabilities of these partners will vary depending on the nonprofit and its mission.</p>	<p>Homeowner repair, down payment assistance, rental development, housing counseling, homelessness prevention, community engagement, housing development, down payment assistance, micro- and small business development, supportive services, job training, community engagement and organizing.</p>	<p>Subrecipient agreement or contract depending on role and whether or not the nonprofit is procured.</p>



Potential Partner				
Public Housing Authorities	May be either Housing Authority or Housing Commission. Board appointed by Chief Elected Official of local jurisdiction. In most jurisdictions, considered quasi-governmental entity. Oversight and some funding provided by HUD.	Responsible for providing housing to moderate- to very low-income residents living in jurisdiction. May be direct developer/owner of housing or provider of tenant and/or project-based housing vouchers. Can also develop housing through LIHTCs or bond financing.	Affordable housing development; Repair and/or development of public housing units; TBRA program.	Memorandum of Understanding (if not distinct legal entity) or Subrecipient agreement (if distinct legal entity)
Community Development Financial Institutions (CDFI)	Nonprofit financial institutions dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream.	Finance community businesses—including small businesses, microenterprises, nonprofit organizations, commercial real estate, and affordable housing to spark job growth and retention in hard to serve markets.	Housing and business development loan programs; Financial literacy programs for LMI residents.	Subrecipient agreement
Housing Counseling Agency	Public agencies or nonprofit organizations that provide housing counseling services on their own or in connection with HUD intermediaries or State Housing Finance Agencies (HFAs).	Counseling services to individuals and families on buying a home, renting, defaults, post-purchase non-default, foreclosures, and credit issues.	Can assist with implementing components of programs aimed at helping homeowners, renters, and those at risk of homelessness by providing counseling and case management services associated with: Down payment assistance programs, rental housing programs, and homebuyer programs. Can also assist with providing services to prevent mortgage default due to hardships caused by disasters.	Subrecipient Agreement
Developer	Develops property through construction for a fee. May be a for-profit or nonprofit entity.	Identifies and provides financing, construction management, and property management for housing and/or commercial development	Housing (typically rental, but could be for sale), commercial, and industrial development programs	Development Agreement
For-profit company	Provides program management, technical assistance, information technology, operations, and other services.	Depending on services procured, must have ability to meet all local, State, and Federal contract requirements, including certified timekeeping system, and ability to provide appropriate documentation of costs.	Depends on experience and expertise of firm. Often assists with "back office" operations (application acceptance, processing, review), technical assistance regarding program development, compliance with crosscutting Federal regulations and requirements, compliance and monitoring assistance, development of needs assessment and Action Plan, completing environmental reviews, and staff augmentation efforts.	Contract