



# Identifying Needs, Developing an Action Plan, & Timeliness



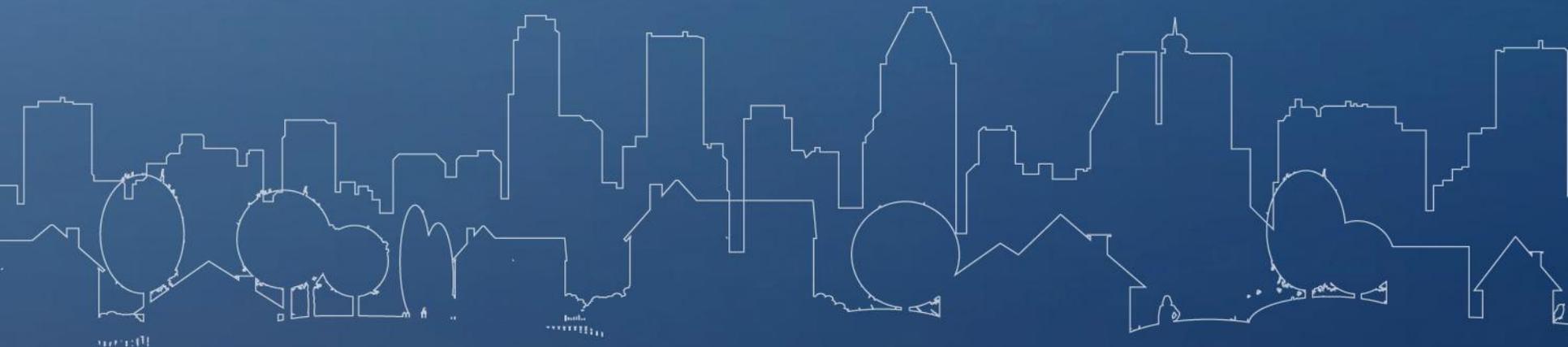
# The “big picture”

A CDBG disaster recovery grantee must:

- ❖ **Step 1:** Determine the effects of the disaster
- ❖ **Step 2:** Develop a plan to respond to the most critical disaster recovery needs not addressed by other sources
- ❖ **Step 3:** Implement the plan; ensure activities are completed in an efficient & timely manner



# Step 1: Assess recovery needs post-disaster



# Needs assessment

- ❖ An evaluation of disaster-related impacts on a state or community
- ❖ At a minimum, must evaluate three core aspects of recovery:
  - ☐ housing
  - ☐ infrastructure
  - ☐ the economy



# Needs assessment

## ❖ Housing

- ❑ Evaluate the needs for interim and permanent, owner and rental, single family and multifamily, affordable and market rate

## ❖ Infrastructure

- ❑ Evaluate the needs for restoration of roads, bridges, or other public structures

## ❖ Economy

- ❑ Evaluate estimated job losses or revenue loss



# Needs assessment

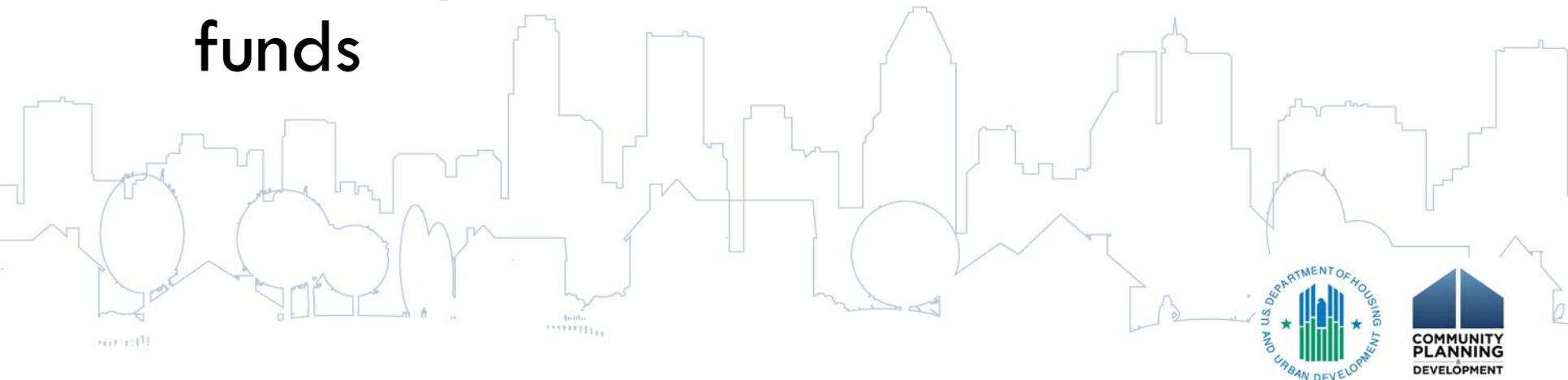
- ❖ Also take into account other assistance available, or likely to be available, for affected communities and individuals
  - ❑ E.g., FEMA funds available for public infrastructure, or insurance funds available for homeowner rehabilitation
- ❖ Why? Disaster recovery resources are scarce; ensure CDBG disaster recovery funds meet critical, unaddressed needs



# Purpose

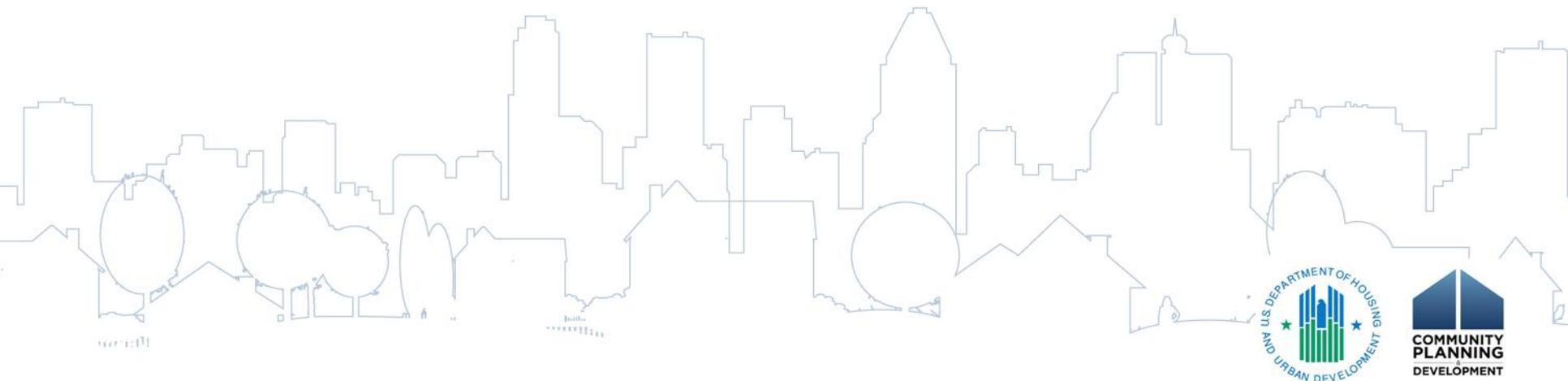
Use the *best available* data to:

- ❖ Identify & document needs
- ❖ Allocate CDBG disaster recovery funds
- ❖ Illustrate the connection between the recovery needs and the allocation of funds



# Changes

- ❖ Disaster recovery needs evolve over time; the needs assessment (and Action Plan) may need to be periodically updated



# Step 2: Develop a CDBG Disaster Recovery Action Plan



# First step

- ❖ Using needs assessment, ascertain what types of activities or programs will best address the grantee's (unmet) recovery needs
  - Get as much input as possible— reach out to affected communities and citizens
  - Talk to existing grantees— what worked well in other communities? What didn't work so well?

# Allowable activities?

- ❖ All activities must clearly address an impact of the disaster for which funding was appropriated
- ❖ Given the standard CDBG requirements, this means each activity must:
  - ❑ be CDBG eligible (or receive a waiver),
  - ❑ meet a national objective, and
  - ❑ address a direct or indirect impact from the disaster in a Presidentially-declared county.



# CDBG eligibility

- ❖ A disaster-related impact can be addressed through any *eligible* CDBG activity
- ❖ Closely review the appropriation law and the published Federal Register notice(s) to determine what is explicitly allowed

- Public Law 112-55 (page 683):

- <http://www.gpo.gov/fdsys/pkg/PLAW-112publ55/pdf/PLAW-112publ55.pdf>

- Past notices and appropriation laws:

- [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/programs/drsi/afwa](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi/afwa)



# CDBG eligibility

## ❖ Helpful links explaining eligible activities

- ❑ 105(a) of the Housing & Community Development Act (HCDA) of 1974

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/rulesandregs/laws/sec5305#sec5305\(a\)](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/rulesandregs/laws/sec5305#sec5305(a))

- ❑ Guide to National Objectives and Eligible Activities for State CDBG Programs

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/library/stateguide](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/library/stateguide)

- ❑ Guide to National Objectives and Eligible Activities for Entitlement Communities

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/library/deskguid](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/library/deskguid)



# Eligible activities

❖ CDBG disaster recovery activities or programs typically fall under one of the following categories:

- Housing
- Infrastructure
- Economic Revitalization
- Planning/Administration



# Housing

- ❖ Any activity which leads to permanent housing
  - new construction (via waiver) & rehab of single family or multifamily units (owner or rental)
  - new construction or rehab of *non-damaged* units must address a disaster-related impact
    - ✓ i.e., the quality, quantity, and affordability of the housing stock was affected, and is thus unable to meet post-disaster needs and population demands

# Infrastructure

- ❖ Typically the repair, replacement, or relocation of damaged facilities
  - E.g., the repair of damaged streets, bridges, public facilities (e.g., public schools or libraries), public improvements (e.g., parks, water or sewer lines, flood and drainage improvements, utility lines), etc.



# Economic Revitalization

- ❖ Any activity that demonstrably restores and improves some aspect of the local economy
  - may address job losses or negative impacts to tax revenues or businesses
  - E.g., providing loans and grants to businesses, funding job training, making improvements to commercial/retail districts, etc.



# Planning/administration

- ❖ Planning = data gathering, studies, analysis, and preparation of plans and the identification of actions that will *implement* such plans (see 24 CFR 570.205)
  - E.g., floodplain mapping– if that mapping activity can be tied to the effects of the disaster
- ❖ Administration costs = costs incurred by planning and executing CDBG disaster recovery activities



# Planning/administration caps

- ❖ Limited to spending 5% of total grant on administrative costs
- ❖ Limited to spending 20% of grant on planning activities
  - Really more like 15%, as the 5% admin cap is included within the 20% cap on planning



# National objective

- ❖ If an activity is eligible— the grantee must document that it meets a national objective
  - ❑ Benefits low-to-moderate income persons
  - ❑ Addresses an urgent need
  - ❑ Aids in the prevention of elimination of slums or blight

- ❖ For an in-depth discussion of national objective, see Chapter 3 of the State Guide to National Objectives and Eligible Activities:

<http://portal.hud.gov/hudportal/documents/huddoc?id=DOC16362.pdf>



# Tie to the Disaster

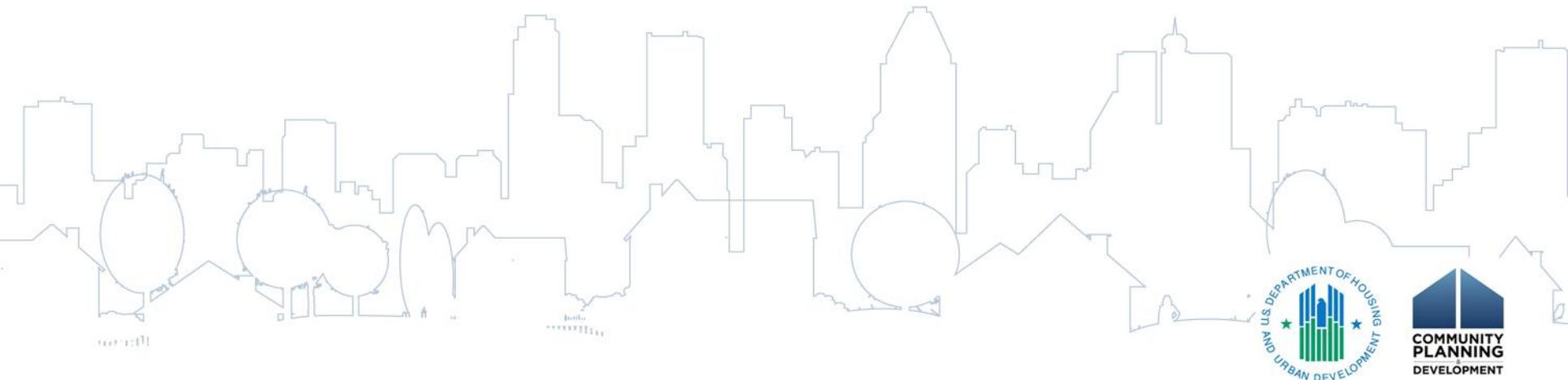
- ❖ The grantee must also demonstrate how each activity and program (if applicable) is tied to the disaster
- ❖ Both the Action Plan and individual activity files should document the connection



# Ways to distribute funds

❖ If the grantee is a state, it must determine whether to:

- ❑ Use a method of distribution, or
- ❑ Carry out activities directly, or
- ❑ Use a combination of the above



# Method of distribution (MOD)

- ❖ Grantee *may* award funds to units of general local government based on damage estimates
  - E.g., could use a MOD to distribute funds for infrastructure or housing
- ❖ May use a MOD for all funds, but should ensure MOD will adequately address needs identified by assessment



# Method of distribution

## ❖ Pros

- ❑ Quickly get funds to units of local government
- ❑ Units of local government have flexibility to determine most critical needs

## ❖ Cons

- ❑ Lack of overarching plan showing a clear connection between activities and the recovery needs
- ❑ Requires significant oversight to ensure funds are in compliance with all applicable state and Federal law



# Carry out activities directly

## ❖ Applicable for:

- ❑ State governments (via a waiver), and
- ❑ Units of local government receiving a direct award

## ❖ Can design and implement activities directly or can utilize a contractor

- ❑ Responsible for program development, review of submitted applications, monitoring of subgrantees, etc.



# Carry out activities directly

## ❖ Pros

- ❑ Able to develop and implement specific activities/programs that are narrowly tailored to meet identified recovery needs
- ❑ More oversight of CDBG disaster recovery funds— less risk of fraud, abuse, or waste

## ❖ Cons

- ❑ Significant capacity needed to design and implement programs directly; may delay initial expenditures and could increase administration expenses



# Combination

- ❖ State grantees only
- ❖ Allows a state to design an activity (or several) and use a MOD to award funds to units of general local government
  - E.g., state designs an economic development program; uses a MOD to award funds to eligible units of local government



# Combination

## ❖ Pros

- ❑ Able to develop and implement specific activities/ programs that are narrowly tailored to meet identified recovery needs
- ❑ Units of local government responsible for day-to-day administration of program

## ❖ Cons

- ❑ May be a disconnect between the state and the units of local government if they don't have a thorough grasp of the program



# Step 3: Implementing the Action Plan & Ensuring Timeliness



# Citizen participation

- ❖ Prior to formal submission to HUD, the grantee must post the Action Plan for public comment for 7 days
  - Standard requirements waived; alternative requirements in Federal Register notice
- ❖ Action Plan submitted to HUD must address all comments received through the public comment period



# DRGR Action Plan

- ❖ Once the hard-copy Action Plan is accepted by HUD, the grantee may enter information from the plan into the Disaster Recovery and Grant Reporting System (DRGR)
- ❖ HUD will review the DRGR Action Plan; if approved, funds will be unrestricted and available for use



# DRGR Action Plan

- ❖ Key difference between hard-copy Action Plan and DRGR Action Plan?
  - Hard copy plan provides detailed information regarding the needs assessment, general requirements applicable to the CDBG disaster recovery award, and rules for each program developed by the grantee; DRGR plan provides greater specificity for measuring individual activities



# DRGR Action Plan

- ❖ Each activity includes fields for projected “start” and “end” dates
- ❖ Although standard CDBG timeliness requirements are waived (24 CFR 570.494 and 570.902), grantees must still ensure activities are completed in a timely manner



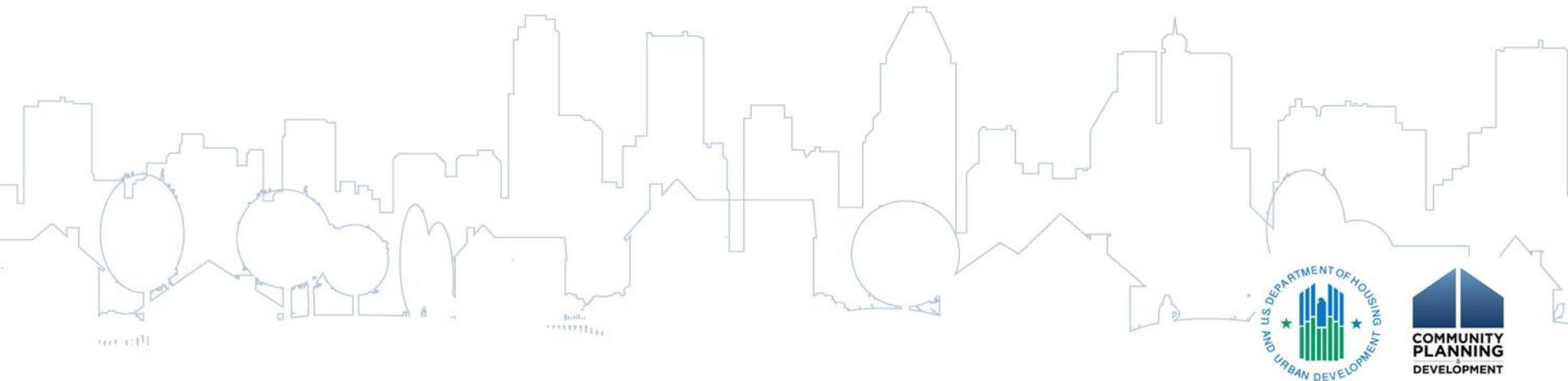
# Performance schedule

- ❖ To guide the performance of individual activities in the DRGR plan, the hard-copy Action Plan must include a performance schedule
- ❖ The schedule should include projected performance (expenditures and outcome measures) for
  - ☐ housing,
  - ☐ infrastructure,
  - ☐ economic development,
  - ☐ planning and administration, and
  - ☐ other (if applicable)



# Expenditure schedule

- ❖ The hard-copy Action Plan should also include a projected expenditure schedule for the grant amount as a whole



# Timeliness

- ❖ Section 104(e)(1) of the HCDA requires HUD to determine whether the grantee has carried out its activities in a timely manner
- ❖ The Department will, absent substantial evidence to the contrary, deem a grantee to be carrying out its programs and activities in a timely manner if its performance schedule is substantially met



# Questions?



# Resources

## ❖ CDBG Disaster Recovery website:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/drsi/index.cfm>

### ☐ Includes:

- ✓ Supplemental appropriations laws
- ✓ Federal Register notices
- ✓ Contact information, Action Plans and Quarterly Performance Reports for CDBG disaster recovery grantees

## ❖ Peer CDBG-DR grantees

## ❖ Your HUD CPD representative

