Community Development Block Grant – Disaster Recovery

Overview and Implementation

August 16, 2014
Overview: What is CDBG-DR?

- Special appropriations by Congress following a disaster
- Supplements FEMA, SBA, NFIP, USACE and other federal resources to cover unmet needs
- General focus is on ‘recovery’ rather than ‘relief’
- Administered by HUD as grants to States (or entitlements) following CDBG rules with certain waivers
Funds must be used for:

“...necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization...”
Applicable Disasters

• DR 4145 – Colorado Severe Storms, Flooding, Landslides and mudslides – Sept. 2013
• DR 4134 – Black Forest Wildfire – June 2013
• DR 4133 – Royal Gorge Wildfire – June 2013
• DR 4067 – High Park and Waldo Canyon Wildfires – Jun/Jul 2012

First Allocation of $62.8 Million covers only the Colorado Floods of 2013. Wildfires included as part of Second Allocation
Allocations

- **1st Allocation** - $62.8 Million (Floods Only)
  - Federal Register Vol.78 No.241; Dec 16, 2013

- **2nd Allocation** - $199 Million (Includes Wildfires)
  - Federal Register Vol.79 No.106; Jun 3, 2014

- **3rd Allocation** - $58 Million
  - TBA

- Nationwide Competitive Resiliency Grant $1B
• Overall Management – Department of Local Affairs (DOLA)
• Housing Programs – Division of Housing (DOH)
• Infrastructure Programs – Department of Homeland Security and Emergency Management (DHSEM)
• Economic Development Programs – Office of Economic Development and Int’l Trade (OEDIT)
• Agriculture Programs – Colorado Department of Agriculture (CDA)
<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Assistance*</td>
<td>$12,826,900</td>
</tr>
<tr>
<td>New Construction</td>
<td>10,440,500</td>
</tr>
<tr>
<td>Private Roads and Bridges**</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>19,477,600</td>
</tr>
<tr>
<td>Planning</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Economic Development Grants and Loans</td>
<td>9,000,000</td>
</tr>
<tr>
<td>Economic Development Tourism Marketing</td>
<td>500,000</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Administration</td>
<td>3,055,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$62,800,000</strong></td>
</tr>
</tbody>
</table>

* Includes Temporary Rental Assistance, Down Payment Assistance, Single-Family Rehabilitation, and Construction and Demolition

** Colorado is currently seeking a waiver to implement this program
### CDBG-DR 1st Allocation

<table>
<thead>
<tr>
<th>Program</th>
<th>Allocation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$23,200,000</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$19,440,000</td>
</tr>
<tr>
<td>Economic Development</td>
<td>$9,500,000</td>
</tr>
<tr>
<td>Agriculture</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Private Roads and Bridges</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Planning and Capacity Building</td>
<td>$1,000,000</td>
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</tbody>
</table>

### CDBG-DR Initial Thinking 2nd Allocation

<table>
<thead>
<tr>
<th>Program</th>
<th>Allocation Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>$65,400,000</td>
</tr>
<tr>
<td>Housing</td>
<td>$58,950,000</td>
</tr>
<tr>
<td>Watershed</td>
<td>$25,000,000</td>
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<tr>
<td>Economic Development</td>
<td>$21,800,000</td>
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<tr>
<td>Planning and Capacity Building</td>
<td>$12,500,000</td>
</tr>
<tr>
<td>Agriculture</td>
<td>$9,300,000</td>
</tr>
<tr>
<td>Private Roads and Bridges</td>
<td>$4,000,000</td>
</tr>
</tbody>
</table>
Eligible Activities

CDBG regulations permit grantees to undertake a wide range of program activities in the following broad categories:

- Housing
- Infrastructure
- Public Services
- Economic Development
- Planning and Administration

NOTE: Cost share for other federal funds is allowed, provided the original use was for an eligible activity.

Chapter 2 of this document provides an excellent resource for determining the eligible activity:
Projects Must ...

• Be Disaster Related*
• Be an Eligible Activity under CDBG
• Meet a National Objective
  – Serve Low/Moderate Income
  – Address Slum and Blight
  – Meet an ‘urgent need’

*”Disaster Related” does not always mean “damaged.”
As a Grant we must ...

• Ensure **50%** of the dollars are invested in programs that serve **Low and Moderate Income** Households.

• Ensure **80%** of the resources go to the 3 most heavily impacted counties of Boulder, Larimer and Weld.
April 29, 2016

• 2 years from the date HUD grant agreement was executed with the State of Colorado.

• All $62.8 million must be expended and drawn

Note: The second allocation will also be subject to a 2 year deadline from the time the funds are obligated.
• Timely Expenditure requirement (2 year clock)
• Serve 50% LMI rather than 70%
• Prevention of Duplication of Benefits requirement
• Prevention and identification of Fraud, Waste, and Abuse requirement
• Citizen Participation requirements
• Pre-agreement costs
• State can contract directly with entitlements, nonprofits, for-profits, and other entities
Web Resources

• Colorado CDBG-DR Website: http://dola.colorado.gov/cdbg-dr


• DOLA’s CDBG Guidebook: http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251592194217
Contacts

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• Flexible... but not that flexible...
• Federal requirements apply (usually)
• Assistance carried out through several key partnerships
• Second Allocation is out for public comment now
• We’re here to help you navigate the process