

Welcome to the US Department of Housing and Urban Development's presentation, titled "Using CDBG for Disaster Response and Recovery."

Disasters strike many more communities than most people realize. On average there were 63 major disasters per year over the last ten years, though many more disasters than that hit communities each year across the nation.

Because disaster is uncertain, community development officials often do not plan thoroughly for the possibility, and may not know how to use CDBG for disaster response and recovery. After other disaster resources such as those of private insurance, FEMA, and the Small Business Administration have been explored and considered, CDBG resources can be used for disaster response and recovery.

During the course of this webinar, we will discuss how grantees can use your regular CDBG allocation for disaster response and recovery. You will learn how to prepare and plan for a disaster before your community experiences one, and what resources you can access, what they provide, and when you can use them, both for immediate response and long-term recovery. We will test your knowledge along the way, and conclude with best practices in planning for disaster response and recovery.

Let's begin by reviewing the recent history of disasters in the United States. Between January 2014 and August 2015, there were 80 Presidentially-declared disasters. These disasters occurred in nearly every state of the union.

Of the 15 types of disasters categorized by FEMA, the most common are severe storms and flooding. Community development departments are often key members in the rebuilding process.

Now let's test your knowledge. True or False? Disasters are a rare occurrence. False. Disasters are not rare. Presidentially Declared Disasters occurred in nearly all 50 states between January 2014 and August 2015.

Pre disaster planning is the most effective thing communities can do to make sure they are prepared to immediately respond to a disaster.

It is important to engage in pre-disaster planning to ensure you have the needed tools and flexibility in place for when disaster strikes. As you conduct your planning, remember that CDBG is one of several resources available for disaster response and recovery and can even cover planning costs. It often fills gaps that other resources don't meet.

All CDBG funded activities – even those in response to disasters – must meet one of three national objectives. If the disaster is of such magnitude that Congress approves a supplemental appropriation, also known as CDBG-DR, communities must complete a separate planning process. When planning, it is prudent to assume that CDBG resources are limited to your regular allocation.

Let's review. True or False? A Presidentially-declared disaster automatically makes extra CDBG funds available. False. Congress must specifically authorize any additional CDBG funds.

When you make pre disaster planning part of your Consolidated Planning and annual action planning process, there are several steps you can take to position your CDBG program to make sure funds will be accessible following a disaster.

First, think about how your community would respond in the instance of a disaster. Inventory the resources and protocols that are already in place and determine how you could use CDBG funds to fill in the gaps. Revise protocols as needed to include Community Development staff in the response process. Second, address the possibility of a disaster in your Consolidated Plan and Annual Action Plan. Specify that you may need to reallocate funds in case of a disaster. Describe a process for reallocation decisions, identifying those changes that would require HUD approval. When doing this, keep in mind that 70 percent of CDBG funds must be allocated to activities that meet the national objective of benefiting low and moderate income persons. As you have the option of calculating this over 1, 2, or 3 years, if you specify in your consolidated plan that you will calculate this percentage over three years, you will give yourself the most flexibility to meet this requirement in case you need to divert funds to respond to a disaster. Next, review your Citizen Participation Plan and your threshold for a substantial amendment to the Consolidated Plan or Annual Action Plan. Ensure that it is set at a level that will give you the ability to respond quickly to community needs after a disaster. Fourth, if you are a State or entitlement community, develop protocols for how participating communities that experience a disaster could request reallocation of their funds. Finally, as a state, determine whether you will specifically set-aside funds for disaster response and recovery. States' set-asides for disasters are in the State's method of distribution in their action plan.

Before expending CDBG funds, you should determine what other resources are available. A presidential declaration of a major disaster triggers the availability of federal assistance, but exactly which federal assistance and how much differs from event to event. Generally, assistance is divided into three categories: support for individuals, public assistance, and hazard mitigation. Private insurance covers many costs.

FEMA provides temporary housing, and non-housing needs such as food and clothing; grants toward infrastructure and public building reconstruction; and improvements to prevent damage from future disasters. The Small Business Administration provides loans to businesses and individuals for property not covered by insurance. After these resources have been considered, CDBG can provide additional help to support housing, economic development activities, and rebuild infrastructure.

In addition to the consolidated and annual action planning processes and identifying other resources, you can take more steps that will allow you to respond efficiently should a disaster strike. While every disaster is different, they share common potential elements, such as the need for cleaning debris, temporary shelter, and outreach to vulnerable populations. Working with your subrecipient partners, such as housing providers in advance, you can develop protocols and research best practices. In essence, you can develop your own CDBG disaster tool kit.

Establish communication with partners, such as FEMA, the SBA, and volunteer agencies in advance. Develop staff capacity - name key disaster team members, discuss potential responses, update contact information, and conduct training.

Effective pre-disaster planning will facilitate immediate response if your community experiences a disaster. All CDBG disaster response activities must meet a national objective. The most likely objective used in the short term is Urgent Need. The criteria for meeting a national objective are: the existing conditions must pose a serious and immediate threat to the health or welfare of the community, are of recent origin or became urgent within 18 months before certification of the urgent need, the grantee is unable to fund the activity on its own, AND other funds are not available.

Common activities that may meet this objective include clearance, security, utility reconstruction, neighborhood clean-ups, and short-term relocation costs for people displaced from their homes.

There is often confusion surrounding the use of federal funds to help communities recover after a disaster. True or False? Public funds are available to pay for daily living costs such as clothing, food, or household items. True. FEMA individual assistance programs can help with needs other than housing assistance.

CDBG regulations allow flexibility, but sometimes there are conditions that require waivers. In the case of a Presidentially-declared disaster, it is possible for grantees to request waivers to certain CDBG regulations. Some communities, for example, request to change their program year start to an earlier date in order to access those funds immediately. Communities also commonly request waivers to shorten the length of a public comment period, or repair government buildings.

After the immediate clean up and restoration of services, a much longer period of recovery begins. CDBG may play a larger role at this point, particularly to low to moderate income neighborhoods where residents and businesses may not have the resources to fully recover without additional assistance.

When thinking about how best to help your community recover from a major disaster, it is advisable to develop a plan of action that considers the long term housing, economic development, and infrastructure needs in your community. When developing your plan, also consider how you will affirmatively further fair housing and focus on meeting the needs of vulnerable populations.

Typical disaster recovery programs include: Homeowner rehabilitation, Rental rehabilitation or reconstruction, Homebuyer programs –replacing disaster damaged residences, Acquisition programs – purchasing properties in the floodplain necessary for community improvements like flood overflow areas, and Small business grants and loans.

After 2011 floods in the State of New York, the town of Union developed a disaster recovery plan that committed CDBG funds to housing, infrastructure, parks, neighborhood facilities and economic development. Union NY used its DR allocation to assist the city in recovering from the disaster. In addition, the city plans to use some of its regular allocation to address other components of the recovery, such as demolition of a former school and office that was damaged in the 2011 flood event.

Grantees must cooperate closely with other entities to best serve residents and to avoid duplication of benefits. A duplication of benefits occurs when a beneficiary receives assistance, and the assistance is from multiple sources, and the assistance amount exceeds the need for a particular recovery purpose. To prevent duplication of benefits, good communication is essential.

In summary, CDBG can be a valuable tool during a disaster. In order to be prepared, learn about disaster resources and plan for the possibility of disaster before your community experiences one. Structure your consolidated plan and annual action plans so you can move CDBG funds quickly to respond to a disaster, identify ways to use other disaster funding resources, prepare your staff in advance, and talk to peer communities to learn some best practices.

We all hope there will not be a disaster in our community, but if there is, with thoughtful planning and preparation, CDBG can be an invaluable resource for helping grantees rebuild communities and mitigate future disasters.