



Understanding the History of CDBG-DR and Looking to the Future

Day 1, May 7, 2024
11 a.m.-12 p.m. CDT

2024 CDBG-DR Problem Solving Clinic
May 7-9, 2024 | St. Louis, MO



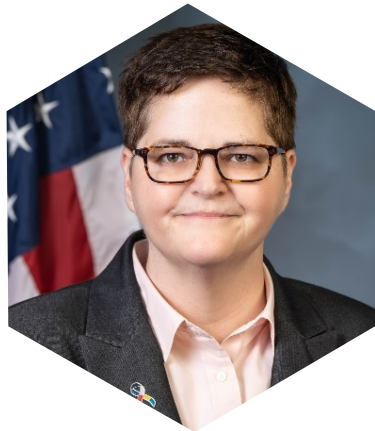
Learning Objectives

- Participants will understand the origin of CDBG as a vehicle for disaster recovery.
- Participants will identify key patterns, trends, and inflection points that show how CDBG-DR has adapted and evolved.
- Participants will reflect on lessons learned from disaster events.
- Participants will learn about steps HUD is taking to streamline and simplify CDBG-DR requirements.

Agenda

1. Hurricane Andrew: The first CDBG-DR Allocation
2. CDBG-DR history – Patterns, trends, inflection points
3. Katrina, Rita, Wilma: Compensation programs
4. Sandy: Resilience, mitigation, fair housing
5. Joplin tornado: Community engagement
6. Maria: Infrastructure and housing
7. Looking forward: RFI and Universal Notice

Presenters



**Marion
McFadden**

She/Her
HUD Office of
Community
Planning and
Development



Jen Carpenter

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Carrion**

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**Matthew
Toland**

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Recovery



Reducing Administrative Burden Takeaways



Understanding the History of CDBG-DR

This presentation provides an overview of CDBG-DR's history and steps HUD is taking to reduce administrative burden. By situating CDBG-DR in its historical context, grantees will better understand how CDBG-DR has evolved over the last 3 decades to support disaster recovery. The session concludes with a summary of what we heard from the public in response to the RFI and steps HUD is taking to streamline and simplify CDBG-DR requirements.

A photograph of the St. Louis skyline, including the Gateway Arch and the Missouri State Capitol, framed within a white hexagonal border with a drop shadow.

Hurricane Andrew: The First CDBG-DR Allocation

Hurricane Andrew, 1992

Hurricane Rips Through Florida and Heads Into Gulf



Hurricane Andrew left devastation in its wake yesterday after ripping through a residential area near Homestead, Fla., south of Miami.

Amid Wreckage, Survivors Tell Their Stories

By CATHERINE S. MANEGOLD
Special to The New York Times

HOMESTEAD, Fla., Aug. 24 — The 40 miles along Route 1 stretching south from Miami to Florida City were transformed today from comfortable suburban sprawl to a trail of devastation. A

*In Devastated Suburbs,
Joy of Survival Mixes
With Fear of Looters*

unfamiliar water-soaked landscape. It was the worst storm any of them had seen in the 40 years the family has run the business.

Ben Mullins pointed first to the company's truck, which lay on its side on the far side of the highway, mangled

**At Least 9 Killed
—Houses Left
in Splinters**

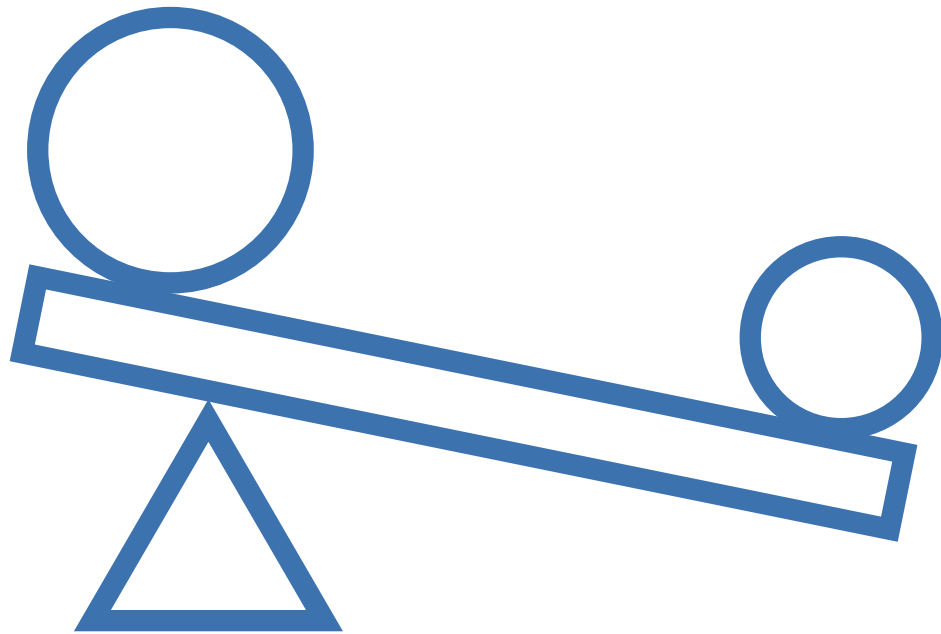
By JAMES BARRON

Source: [TimesMachine: Tuesday August 25, 1992 - NYTimes.com](https://www.nytimes.com/1992/08/25/us/hurricane-andrew-florida.html)

- Impact

- At the time, the costliest and most damaging hurricane to hit U.S.
- Category 5 (Bahamas and FL); Category 3 (LA).
- Responsible for 44 deaths.
- Caused \$27 billion in damage.
- Destroyed more than 25,000 homes; damaged more than 100,000 homes.

Why Leverage CDBG for Disaster Recovery?



- Flexibility of the HCDA (Housing and Community Development Act of 1974) and block grants.
- Need to include HUD in recovery efforts.

Flexibility of CDBG

Community Development in the HCDA:

- Consolidated several programs into a single block grant program
- Devolved decision making to the local level
- Provided flexibility to determine how to structure programs that target community development

Ford Signs Bill to Aid Housing
By Richard Rotman Washington Post Staff Writer
The Washington Post (1974-); Aug 23, 1974; ProQuest Historical Newspapers: The Washington Post
pg. A7

Ford Signs Bill to Aid Housing

By Richard Rotman
Washington Post Staff Writer

President Ford yesterday signed into law the \$11.9 billion Housing and Community Development Act, which he said would give the troubled housing industry "a shot in the arm."

"The bill marks a complete and welcome reversal in the way that America tries to solve the problems of our urban communities," Mr. Ford said.

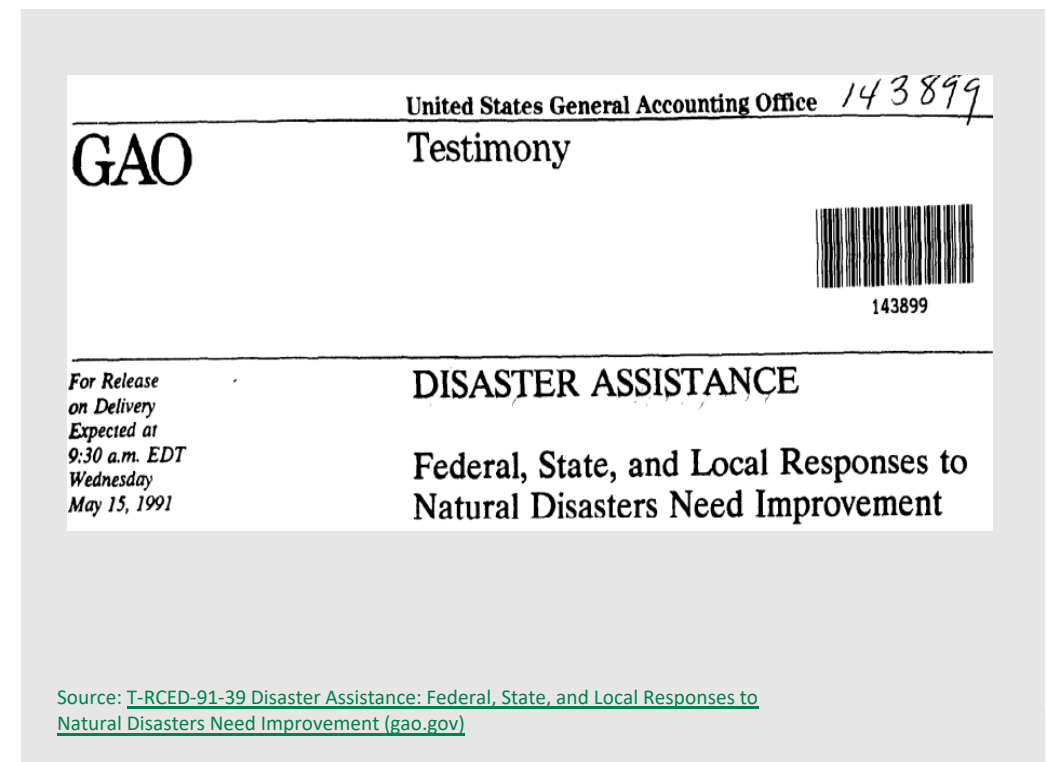
The money will be spent over three years, consolidating several urban grant laws the President called "the rigid programs in the past."

The Housing and Community Development Act reduces down payments necessary to obtain FHA mortgage insurance and raises the limit on federally insured housing

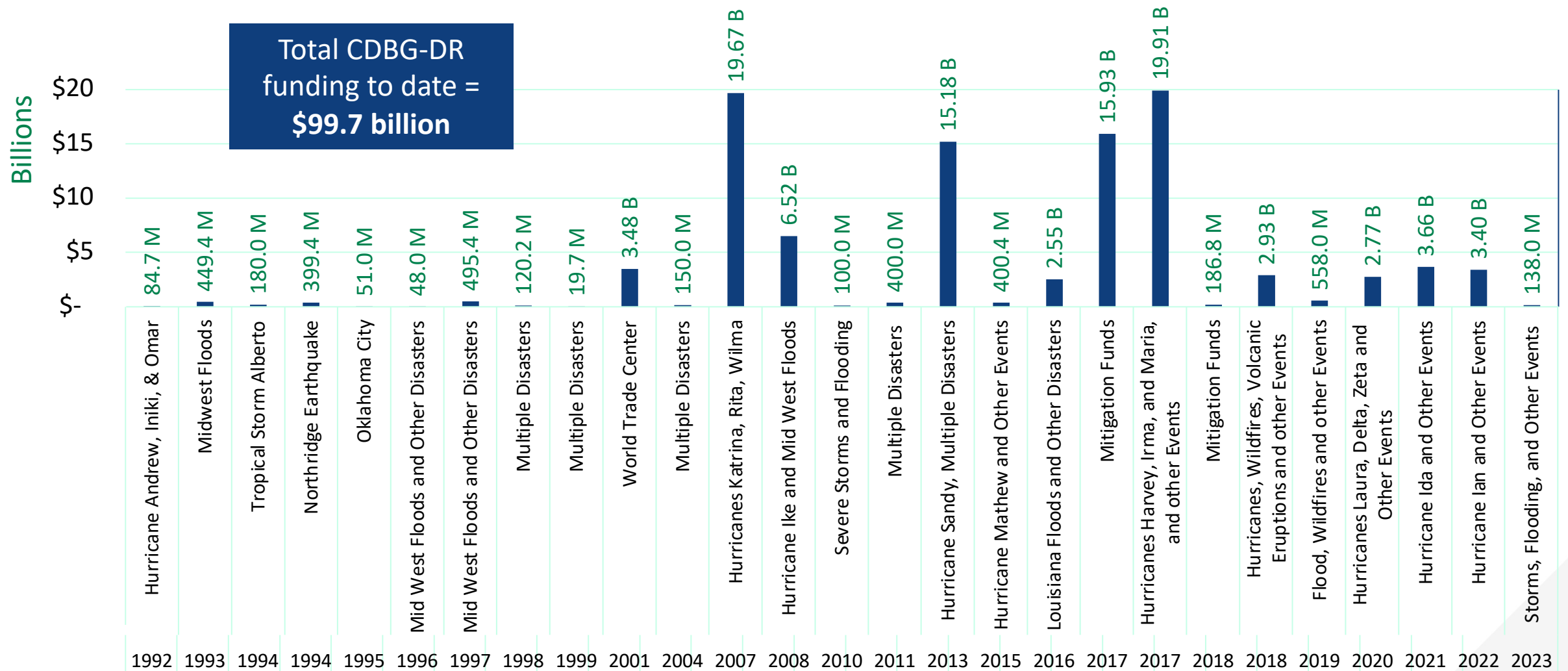
Source: The Washington Post (1974-) Retrieved from
<https://www.proquest.com/historical-newspapers/ford-signs-bill-aid-housing/docview/146145202/se-2>

Need to Include HUD in Recovery Efforts: GAO Report on Disaster Response and Recovery

- Focus on federal and local response to the 1989 Hurricane Hugo (FL, NC, SC, PR, USVI) and Loma Prieta Earthquake (CA).
- Review of response and recovery efforts.
- On housing recovery
 - "...federal disaster assistance programs do not provide adequate assistance to state and local governments to reconstruct damaged rental units."
 - "HUD does not receive disaster assistance funds from Congress, and transfers of other HUD funds to aid disaster victims were delayed."
 - "We recommend that the Congress either 1) clarify the portions of the Stafford Act concerning HUD's role in providing housing assistance for disaster victims, or 2) amend housing legislation to provide appropriations to HUD for disaster assistance."



CDBG-DR Appropriations 1992-2023



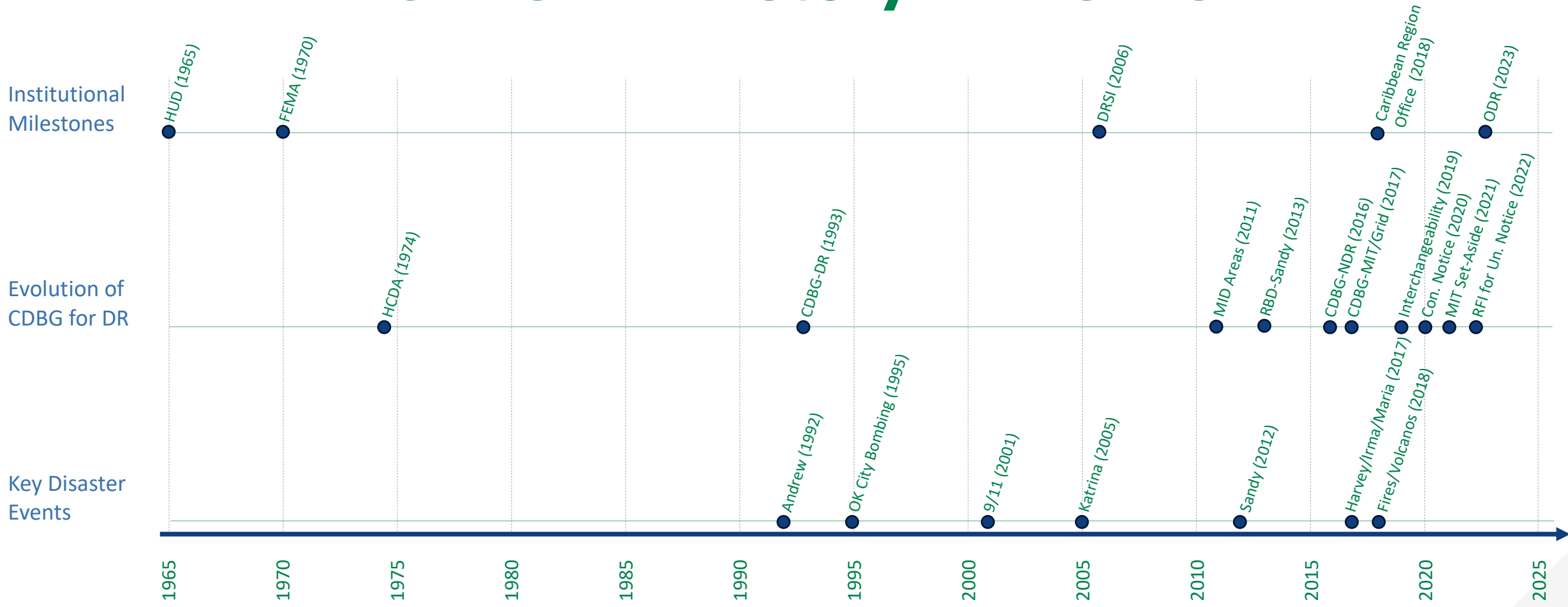
A photograph of the St. Louis Gateway Arch and the city skyline, framed within a white hexagonal border with a drop shadow, set against a green and blue geometric background.

CDBG-DR History – Patterns, Trends, Inflection Points

CDBG-DR History: Patterns, Trends, and Inflection Points

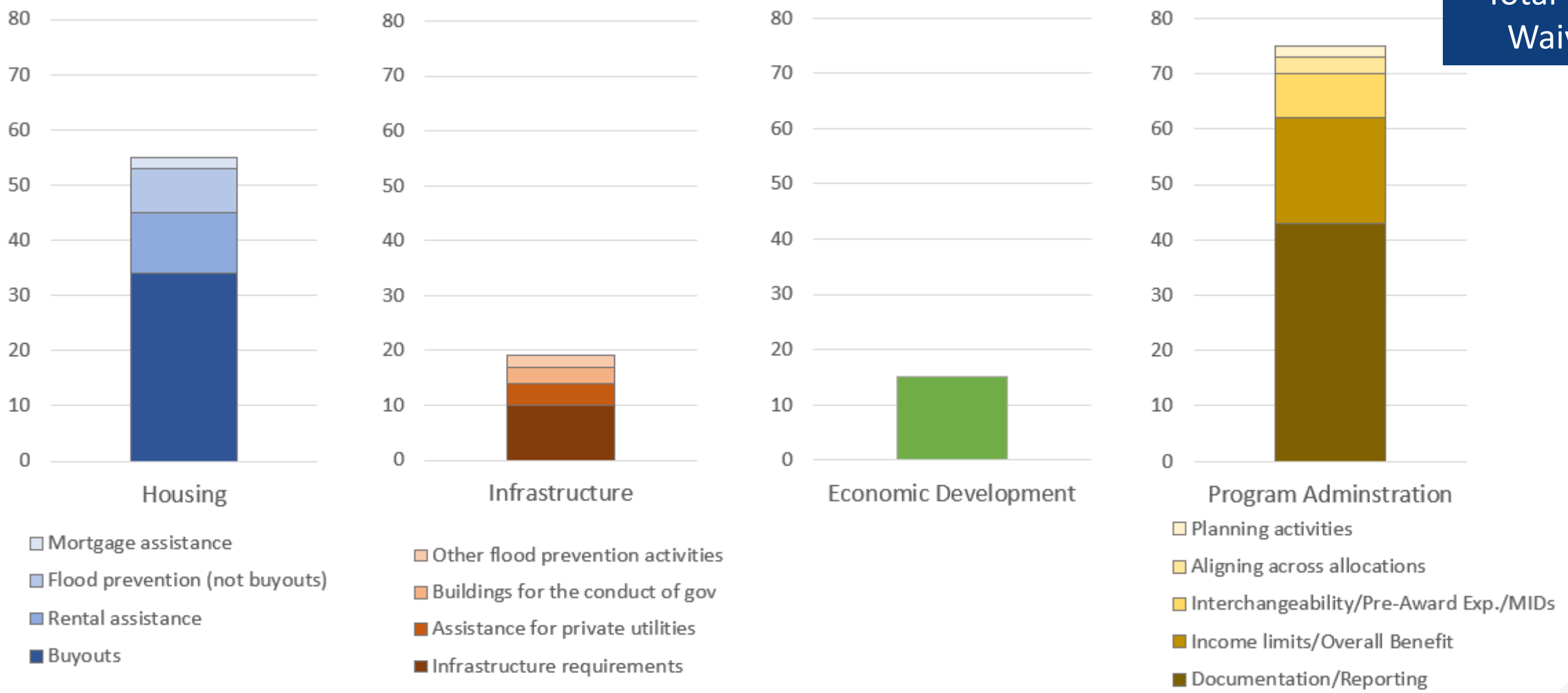
1. Deepening *involvement of HUD* in disaster recovery
2. Widening of *types of disasters* that result in CDBG-DR assistance to support recovery
3. Growing need for program design to *reach disaster survivors where they are*
4. Increasingly *innovative approaches* to activity design
5. Growing inclusion of *resilience and mitigation* efforts
6. Persistent need to balance *robustness of requirements* with *speed of recovery*
7. Consolidation of the *CDBG-DR enterprise* within HUD

CDBG-DR History: Timeline



CDBG-DR Waivers (2013-2023)

Total = 165
Waivers



Katrina, Rita, Wilma (2005): Compensation Programs



Source: The Washington Post (1974-) Retrieved from <https://www.proquest.com/historical-newspapers/storm-thrashes-gulf-coast/docview/2605063186/se-2>

Impact

- Storm
 - Category 3-5 hurricane (Katrina)
 - Category 3-5 hurricane (Rita)
 - Category 2-5 hurricane (Wilma)
- Deaths
 - Responsible for more than 1,800 deaths
- Damage
 - More than 50 breaches of the levee system, covering 80% of New Orleans in water
 - Destroyed/damaged more than 800,000 housing units
 - Costliest U.S. storm on record (\$197.5B)

Katrina, Rita, Wilma: CDBG-DR/MIT Allocations

Grantee	Amount Allocated (CDBG-DR)
Louisiana	\$13,410,000,000
Mississippi	\$5,481,221,059
Texas	\$503,194,849
Florida	\$182,970,518
Alabama	\$95,613,574
Total	\$19,673,000,000

Katrina, Rita, Wilma: Key Takeaways



**Congressional
Research Service**
Informing the legislative debate since 1914

The Role of HUD Housing Programs in Response to Past Disasters

Updated January 6, 2006



**Congressional
Research Service**
Informing the legislative debate since 1914

The Role of HUD Housing Programs in Response to Hurricane Katrina

Updated December 15, 2011

Compensation Programs

- First time Federal Government is involved in long-term housing recovery.
- Flexibility to decide whether to retain homes or relocate.
- Difficult to ensure outcomes (i.e., that beneficiaries used grants for their intended purpose).
- Led to broader trend of creating more requirements to ensure outcomes.

Expanding role of HUD

- “In times of major disaster, private citizens often cannot be reasonably expected to address their own housing and shelter needs.”
- “The appropriate role for HUD to play [vis-à-vis FEMA] following a disaster may be the subject of Congressional debate.”
- Transfer of ongoing housing assistance from FEMA to HUD in 2007.

Increased oversight by GAO and OIG

- Growing interest in ensuring use of funds meet Congress’ intent.
- Numerous investigations/reports show the positive impact of needed recovery programs.

Sandy (2012): Resilience, Mitigation, Fair Housing

Impact

- Storm
 - Category 1-3 hurricane.
- Deaths
 - At least 159 deaths in U.S. (direct/indirect result).
- Damage
 - Left 200,000 people without shelter.
 - 8.5 million people lost power.
 - Estimated \$71.4 billion in property damage.
 - Damaged/destroyed more than 650,000 homes.



Source: The Sun Bulletin - [Newspaper front page with coverage and photo from 2012's Hurricane Sandy](#) - Newspapers.com™

Sandy: CDBG-DR/RBD Allocations

Grantee	Amount Allocated (CDBG-DR)	Amount Allocated (RBD)	Total Allocated
New Jersey	\$3,794,429,000	\$380,000,000	\$4,174,429,000
New York City	\$3,858,876,000	\$355,000,000	\$4,213,876,000
New York	\$4,231,882,000	\$185,000,000	\$4,416,882,000
Connecticut	\$149,279,000	\$10,000,000	\$159,279,000
Maryland	\$28,640,000	N/A	\$28,640,000
Rhode Island	\$19,911,000	N/A	\$19,911,000
Total	\$12,083,017,000	\$930,000,000	\$13,013,017,000

Sandy: Key Takeaways

VOLUNTARY COMPLIANCE AGREEMENT AND CONCILIATION AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY



AND

LATINO ACTION NETWORK,
NEW JERSEY STATE CONFERENCE OF THE
NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
AND
FAIR SHARE HOUSING CENTER
("COMPLAINANTS")

AND

THE STATE OF NEW JERSEY;
AND
THE NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
("RESPONDENTS")

Deepening involvement of HUD

- Sandy Task Force

Largest Fair Housing settlement in history of HUD

- Need to support grantees in ensuring renters are served (not just homeowners)
- Importance of LEP

Resilience/Mitigation

- Rebuild by Design and National Disaster Resilience competition built off Disaster Recovery Enhancement Fund (DREF) from Midwest region

Targeted Assistance

- Application of most impacted and distracted (MID) framework that began w/ 2011 allocation

Duplication of Benefits (DOB)

- First time HUD created policy to forgive DOB
- FEMA undercounted losses; beneficiaries had already received DR funding from HUD
- Forgave any DOB related to this issue under 20K

Joplin Tornado (2011): Community Engagement

Tornado slams Joplin, Missouri

A massive tornado that tore a 6-mile path across southwestern Missouri killed at least 89 people as it slammed into the city of Joplin Sunday, May 22, 2011.

Mon., May 23, 2011



Source: [Tornado slams Joplin, Missouri - May 23, 2011 | The Spokesman-Review](#)

Impact

- Storm
 - Category EF5 tornado
 - Nearly 1 mile wide
 - Winds over 200 mph
- Deaths/Injuries
 - 7th deadliest tornado in U.S. history
 - Responsible for 158 direct deaths
 - Injured 1,150 people
- Damage
 - Damaged nearly 8,000 buildings (more than 90% residential); of which nearly 4,000 were destroyed
 - Costliest single tornado in U.S. history (over \$2.8 billion in damage)

Joplin Tornado: CDBG-DR Allocations

Grant Type	Amount Allocated
CDBG-DR (unmet needs) P.L. 112-55	\$45,266,709
CDBG-DR (unmet needs) P.L. 113-2	\$113,276,000
Total	\$158,542,709

Joplin Tornado: Key Takeaways

Exemplary Community Engagement

- Worked with a Citizens Advisory Recovery Team (CART) to seek input on their recovery plans. This volunteer group helped build consensus to define what long-term recovery looked like.
- Implemented Mental Health Public Services into their programs based on community feedback.
- Created homeownership assistance programs to help renters become owners, and to incentivize families to stay in the community or move back.
- Built a Dashboard to showcase all the CDBG-DR funded projects and their status so the public could stay up to speed.

CDBG-DR Dashboard

City of Joplin

- Disclaimer
- Community & Housing
- Infrastructure 1
- Infrastructure 2

COMPLETED

Community Clinic of Joplin

This project includes the Interior renovation of the existing Community Clinic and repair of the existing parking lot

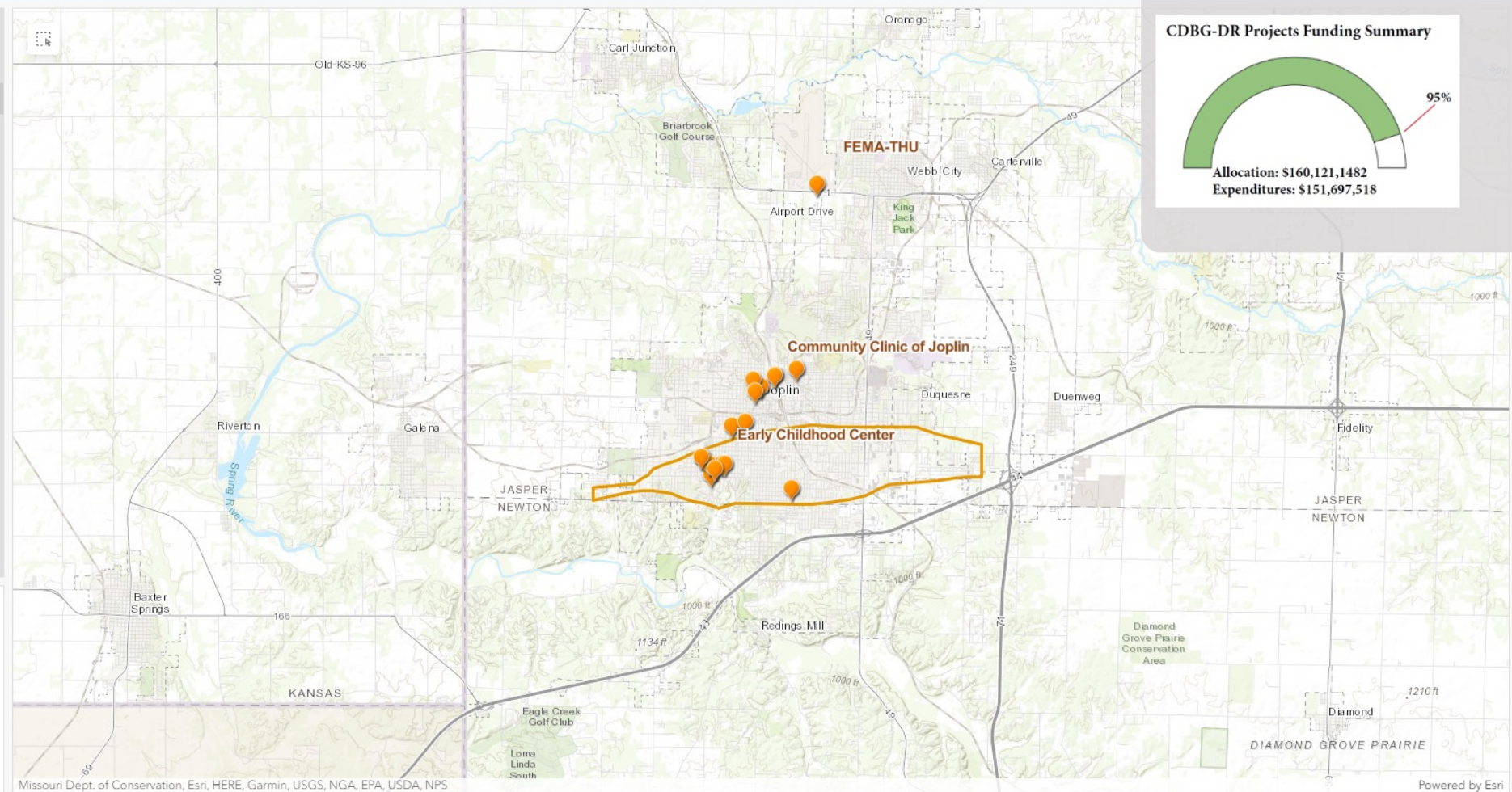
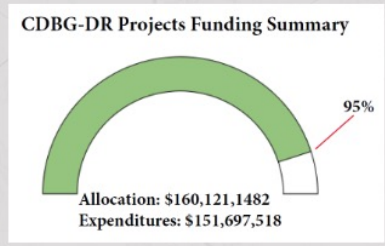
Contact

Stephanie Brady - 701 S Joplin Ave. Joplin, MO 64804 - director@joplincommunityclinic.com - 417-625-5500 ext. 6

Timeline

Project Start: **Summer 2015**
Design: **NA**
R/W Acquisition & Utility Relocation: **NA**
Construction Start: **Fall 2016**
Construction End: **Winter 2017**
Project Closeout: **Summer 2018**

Funded: \$193,252
Expended: \$193,252
Spent: 100.00%



Maria (2017): Infrastructure and Housing

Photos: Hurricane Maria Decimates Puerto Rico

U.S. territory's authorities warn residents they face a long, difficult and expensive path to recovery after the storm



8 of 16

Concrete power line poles fell across a highway in Luquillo, Puerto Rico, after the area was hit by Hurricane Maria. RICARDO ARDUENGO/AGENCE FRANCE-PRESSE/GETTY IMAGES

Source: The Washington Post: [Hurricane Maria Slams Into Puerto Rico - WSJ](#)

Impact

- Storm
 - Category 5 hurricane.
 - Strongest storm to hit the island in 90 years.
- Deaths
 - Responsible for nearly 3,000 deaths (official death toll).
- Damage
 - Infrastructure
 - Damage to electric grid caused 11-month blackout.
 - Additional damage to roads, hospitals, schools, water systems, etc.
 - Puerto Rico's government estimated it would need \$132 billion to repair and replace damaged infrastructure.
 - Housing
 - Destroyed more than 24% (~300,000).
 - Damaged 92% (~more than 1.1 million).

Maria: CDBG-DR/MIT Allocations

Grant Type	Amount Allocated
CDBG-DR (unmet needs)	\$10,005,815,230
CDBG-DR (electrical power systems)	\$1,932,347,000
CDBG-MIT	\$8,285,284,000
Total	\$20,223,446,230

Maria: Key Takeaways

Before and after the hurricane

- Hurricanes Irma and Maria aggravated existing infrastructure issues:
 - Electrical Grid
 - Unsafe roads and bridges resulting in isolated communities
- Put on display long standing systemic barriers/inequities:
 - Lack of clear titles:
 - Insurance
 - Construction Permits
 - How this leads to informal housing

Maria: Key Takeaways

- Demonstrate the power of local solutions
 - Community advocates influence policy changes in FEMA's title policy.
 - Increased experience and capacity.
 - Community formal organization.
 - Municipal comprehensive plan prioritizing unmet needs.
- Multiple new players in the recovery - new landscape
 - Department of Energy (DOE) - active role in policy and program implementation.
 - HUD collaboration to fund projects outside of regular area of expertise.
 - Federal Highway Administration (FHWA) and the Environmental Protection Agency (EPA).



Maria: Key Takeaways

- Who is recovering?
 - Opportunities (innovation in housing, opportunities for new housing, preparedness, resilient centers)
 - Risks (speculation, migration, population loss)
- Whole community and continuous recovery
 - Economic development
 - Tourism as a leader in the recovery
 - Systems (education, health)
 - Subsequent disasters
 - Earthquakes
 - Pandemic
 - Climate change

Maria: Key Takeaways

- Territorial Recovery Uniqueness
 - Recovery from a hurricane can take years. But for an island, it's another story.
 - Communities often face challenges understanding and accessing federal programs meant to aid recovery, while facing obstacles like displacement and power outages, food, supplies, drinking water, medicines.
- But also:
 - Limited institutional knowledge and resources to manage disaster recovery programs.
 - Difficulties between FEMA and grant applicants in reaching agreement on the scopes for work for projects.
 - Increases in costs for projects because of inflation.
 - Difficulties in procuring resources such as goods and services for construction projects.
- HUD staffing in the region
 - Caribbean Region didn't have ODR Staff assigned.
 - Staffing up from one to eight.

A photograph of the St. Louis Gateway Arch, a large stainless steel catenary arch, set against a backdrop of the St. Louis city skyline. The arch is the central focus, with various skyscrapers and the American flag visible in the background. The image is framed within a white, irregular hexagonal shape with a drop shadow.

Looking Forward: Reducing Administrative Burden for CDBG-DR Grantees

A photograph of the St. Louis skyline, including the Gateway Arch and the Old Courthouse, framed within a white hexagonal border with a drop shadow.

The Request for Information (RFI)

RFI for HUD's CDBG-DR Rules, Waivers, and Alternative Requirements ([87 FR 77864](#))

DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT

[Docket No. FR-6336-N-01]

Request for Information for HUD's
Community Development Block Grant
Disaster Recovery (CDBG-DR) Rules,
Waivers, and Alternative Requirements

AGENCY: Office of the Assistant
Secretary for Community Planning and
Development, HUD.

ACTION: Request for information.

SUMMARY: The U.S. Department of
Housing and Urban Development (HUD)
seeks public input to strengthen and
improve requirements for entities
receiving and implementing Community
Development Block Grant Disaster
Recovery (CDBG-DR) funding. This
Request for Information (RFI) is to
solicit feedback to inform how the
Department can modify, expand,
streamline, or remove CDBG-DR rules
and requirements with the goals of
expediting long-term resilient recovery,
reducing, or eliminating barriers for
impacted beneficiaries, ensuring
equitable community recovery, and
simplifying compliance for CDBG-DR
grantees within its statutory authority.
Additionally, HUD seeks information
and recommendations to reduce the

Recent effort by ODR's Policy Division to solicit feedback to inform how the Department can modify, expand, streamline, or remove CDBG-DR rules and requirements with the goals of:

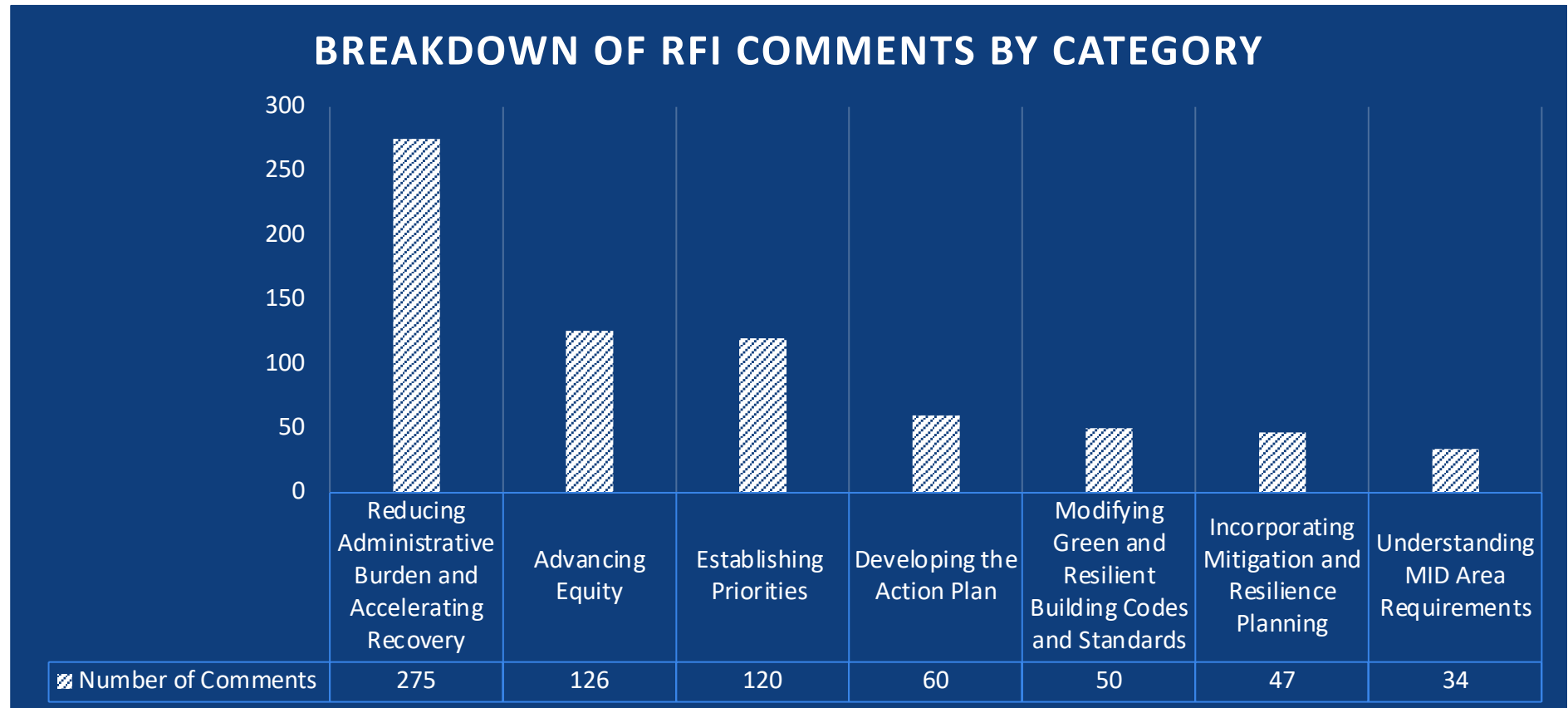
- Expediting long-term resilient recovery
- Reducing or eliminating barriers for impacted beneficiaries
- Ensuring equitable community recovery
- Simplifying compliance and reducing administrative burden for CDBG-DR grantees

CDBG-DR RFI and Universal Notice Timeline



Public Comments in Response to RFI

87
Responses
to RFI
↓
712
Comments



Most Common Public Comments Asked HUD to:



- Establish a presence sooner in the recovery process
- Allow access to grant and administrative funds before grant agreement
- Announce CDBG-DR allocations sooner
- Increase administrative caps
- Align cross-cutting requirements with other federal agencies
- Improve data sharing and develop a centralized database
- Simplify and reduce CDBG-DR requirements
- Alleviate duplication of benefits requirements for low- and moderate-income households
- Provide consistent, timely, and informative guidance
- Define key terms used in the notice

New Process: Creating Phases of CDBG-DR Launch



Phase 1: Focused Action Plan

The focused action plan will include the following components:

Unmet Needs and Mitigation Needs Assessment

Equity data (fair housing and civil rights data)

Proposed programs and projects and their connection to unmet needs, mitigation needs, and fair housing and civil rights considerations

Program specific information: allocation and award caps, funding criteria (method of distribution, etc.)

Criteria for substantial amendments

Grantee Impact

Significantly reduces the required components of an action plan.

Survivor Result

The action plan is easier for survivors to understand and participate in the decision-making process; additionally, the plan will be available sooner based on focused requirements.

Phase 1:
Focused Action Plan



Phase 2:
Evaluation of
Management and
Oversight of Funds

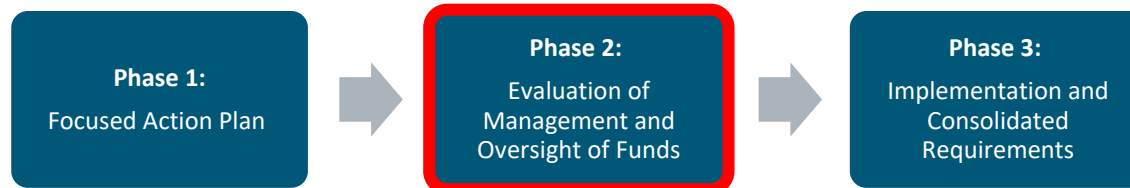


Phase 3:
Implementation and
Consolidated
Requirements

Phase 2: Evaluation of Management and Oversight of Funds

Similar to existing financial management and grant compliance certification requirements and provides grantees with the option to rely on a certification for 5 years (faster for those who pre-certify).

Procedural benefits: Certification due **after** the submission of the action plan, which allows HUD to focus on the action plan review and grantees to shift to certifications.



Grantee Impact

Allows grantees to focus all resources on developing the action plan and determine what programs they are interested in offering before completing a pre-award certification.

Survivor Result

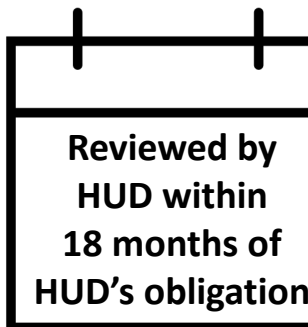
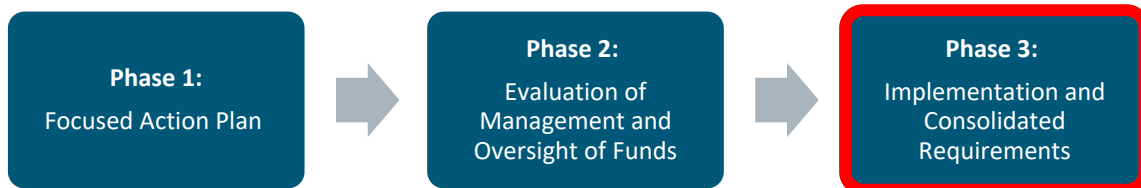
Grantees could reach approval of action plan/certification faster to get to the grant agreement stage and begin recovery more quickly.

Phase 3: Implementation & Consolidated Requirements

All other CDBG-DR requirements from the Consolidated Notice will be moved to this phase.

A grantee establishes detailed requirements for its programs through its policies and procedures.

A new monitoring exhibit or section of an exhibit will outline the additional requirements that HUD will monitor for during its first visit.



Grantee Impact

Accurately describes the implementation of programs and allows time to build needed capacity.

Survivor Result

Grantees can serve survivors up to 395 days faster because they can focus their capacity on the programs with the most immediate needs.

A photograph of the St. Louis Gateway Arch and the city skyline, framed within a white hexagonal border with a drop shadow.

Thank You!

If you have any questions, please feel free to send an email to ODR's Policy Division at ODRPolicyDivision@hud.gov.

A photograph of the St. Louis Gateway Arch and the city skyline, framed within a white, irregular hexagonal shape with a drop shadow, set against a background of green and blue geometric shapes.

Next Sessions

The next sessions will begin at 1:15 p.m. CDT.

CDBG-DR Basics and Beyond: Grand Ballroom DEF

A New American Dream – Resilient Affordable Rental Housing: Grand Ballroom ABC