



Empowering Economic Revitalization: Leveraging Synergy, Partnership, Equity, and Resilience

Day 3, May 9, 2024

9:45 a.m.-10:45 a.m. CDT



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

Presenters



Lauren Nichols

She/Her
ICF



Sue Southon

She/Her
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Presenters



Rawleigh Greenhalgh

He/Him
HUD's Office of Disaster Recovery



Vanessa Morgan

She/Her
U.S. Small Business Administration (SBA)



Chad Eggen

He/Him
Economic Development Administration
(EDA)

Learning Objectives

- Attendees will learn the various ways in which communities can take advantage of this Administration's resources to foster economic equity and resilience.
- Attendees will hear about funding programs, critical to economic development, provided by other federal agencies.
- Attendees will learn how the Economic Recovery Support Function supports local economic recovery.
- Attendees will hear case studies illustrating how other federal resources can be leveraged with CDBG-DR.

Agenda

- Introduction – the Role of the Federal Government in Recovery, Equity, and Resilience
- The Economic Recovery Support Function
- Economic Development Recovery & Resilience
Resources of other HUD and partner Federal Agencies
 - Economic Development Administration (EDA)
 - Small Business Administration (SBA)



The Role of the Federal Government in Recovery, Equity, and Resilience

Federal Support for Recovery, Equity, and Resilience

- Federal investments to support recovery, equity, and resilience
 - [Infrastructure Investment and Jobs Act \(IIJA\)](#)
 - [Inflation Reduction Act of 2022 \(IRA\)](#)
 - [CDBG-DR allocations for 2020 – 2023 events](#)
 - [Further Advancing Racial Equity and Support for Underserved Communities Through The Federal Government \(E.O. 13985\)](#)
- Central theme for all these initiatives:
 - Provide an equitable framework for investment
 - Address issues of climate change to make communities safer and more resilient
 - Sustainable economic recovery requires a “systems” approach, understanding how federal resources can be leveraged to support recovery and resilience

Economic Recovery Support Function

- Puts focus on intersect between housing and economic development.
 - Importance of coordination among federal agencies.
 - Importance of coordination with local organizations, educational institutions, chambers of commerce, trade associations, labor unions.
 - Development of framework for investment to both rebuild and diversify local economy for benefit of all citizens.
 - Identify ways in which resources can be invested to multiply impact, creating long-term change and economic growth.
 - Broad based civic engagement will result in stronger communities.
 - Access to economic opportunities must be intentional and equitable. It may involve new ways of working and new partners.



Supporting Your Community's Economic Revitalization

Recovery is a phased process:

- Planning is needed throughout, but needs and solutions evolve over time.
- Flexibility is important, particularly during the “triage” phase immediately following the event.

Supporting Your Community's Economic Revitalization

Identify economic strategies from other communities

Increase small business utilization



Tap into innovation



Identify co-benefits



Identify economic development players

Use of CDBG-DR Funds for Economic Revitalization

- Flexible funding allows for many potential program models:
 - Direct assistance for recovery and/or market adaptation (grants or loans)
 - Working capital to small businesses and micro-enterprises
 - Facility repairs and/or improvements
 - Community interventions to help increase economic activity
 - Commercial corridor improvements (facades, streetscapes, wayfinding, landscaping)
 - Creating food and leisure locations in public areas
 - Repair, enhancement of tourism attractions
 - Technical assistance to businesses
 - Virtual recovery centers – traditional business assistance delivered online
 - Workforce development
 - Match to industries likely to grow as a result of the infusion of HUD and other federal funding received (e.g. construction trades, IT, healthcare)
 - Support for expansion of training to support return to work (e.g. childcare, early education)

Use of CDBG-DR Funds for Economic Revitalization

- Activities carried out by eligible Community Based Development Organizations (CBDOs)
 - Neighborhood revitalization projects to address impact of disaster on geographic location within local communities
 - Activities to increase economic opportunity, principally for persons of low-and-moderate income
- Activities carried out in designated investment areas
 - [Promise Zones](#)
 - [Opportunity Zones](#)
 - [Neighborhood Revitalization Strategy Areas](#)
 - [Tribal Investment Areas](#)
 - Community Development Financial Institution areas of economic distress – [12 CFR 1805.201\(b\)\(3\)\(ii\)\(D\)](#)

Consolidated Notice – Waivers and Alternative Requirements

- Waivers and alternative requirements make it easier to use for economic development activities.
 - Documentation of low and moderate income (LMI) jobs benefit for each person employed if annual wages or salary of job is at or under HUD-established income limit for one-person family.
 - Public benefit standard waived – grantees must collect and maintain documentation:
 - Duration and retention of total jobs
 - Number of jobs within appropriate salary ranges
 - Average amount of assistance provided per job
 - Type of job
 - Assistance to business from impacted area that moved post-disaster to continue to do business.





Federal Partners in Recovery, Resilience, and Equity – U.S. Small Business Administration (SBA)

Understanding SBA's Role in Disaster Recovery

SBA disaster loans are the primary source of federal assistance to help private property owners pay for the repair or replacement of disaster damaged property not covered by insurance or other recoveries.

SBA offers low-interest federal loans to businesses of all sizes, private nonprofit organizations, homeowners and renters.

- ❖ Businesses of all sizes and non-profits can borrow up to \$2 million to cover physical losses not fully covered by insurance.
- ❖ Under the EIDL program up to \$2 million is available for **small businesses** to meet financial obligations and operating expenses.
- ❖ Homeowners can borrow up to \$500K to cover physical losses not fully covered by insurance.
- ❖ Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster losses.

Low interest

Up to 30-year term

12-month deferment

SBA Office of Disaster Recovery & Resilience

Program Overview

Each year, the SBA provides billions of dollars in low-interest, long-term **disaster loans** to help small businesses, nonprofits organizations, homeowners, and renters recover from declared disasters.

- **Business Physical Disaster Loans** – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- **Economic Injury Disaster Loans (EIDL)** – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- **Home Disaster Loans** – Loans to homeowners or renters to repair or replace disaster-damaged real estate and personal property, including automobiles.

SBA Disaster Loan Program

The SBA recently made effective a direct final rule to update the disaster loan program, for disasters declared on or after July 31, 2023:

- ✓ Increased from \$40,000 to **\$100,000** for repair or replacement of household and personal effects.
- ✓ Increased from \$200,000 to **\$500,000** for repair or replacement of a primary residence.
- ✓ Extended the first payment deferment period from 5 **to 12 months** for all disaster loans. This change removes the burden for disaster survivors to begin making payments on their disaster loans before communities rebuild and recover.
- ✓ Increased maximum refinance eligibility from \$200,000 to **\$500,000.**
- ✓ Increased contractor malfeasance eligibility from \$200,000 to **\$500,000.**
- ✓ Removed the restriction and increased mitigation from \$200,000 to **\$500,000.**

Building Resilience

Section 123.7

Are there restrictions on how disaster loans can be used?

- SBA eliminated the word “similar” so mitigation funds can be used for other hazards
- Disaster loan recipients can use mitigation funds for any type of hazard

SBA Disaster Loan Program Mitigation Option



Flood Mitigation

- Add a sump pump
- Landscape your property to improve water runoff and drainage
- Elevate structures



Wildfire Mitigation

- Install noncombustible materials
- Remove roof and gutter debris that can be ignited by airborne embers



Wind Mitigation

- Brace/upgrade to wind-rated garage doors
- Install hurricane roof straps
- Upgrade to pressure-rated windows



Earthquake Mitigation

- Install window film to prevent shattered glass injuries
- Anchor roof-top mounted equipment



Duplication of Benefits – SBA Loans

- **Duplication of Benefits between SBA and HUD CDBG-DR Funds**

- Typically, SBA funds have been disbursed to the Borrower by the time CDBG-DR Funds are available which may eliminate many borrowers from receiving CDBG-DR funds due to duplication of benefits. Grantees will need to assess whether there is still unmet need that can be covered by the CDBG-DR assistance. For example, was the SBA loan used for a different allowable use and can be excluded from the CDBG-DR DOB analysis?
- SBA makes every effort to inform disaster loan applicants how an approval of an SBA loan could affect their ability to receive grant assistance and we advise applicants to check with agencies/organizations administering any grant or other assistance under the declaration to determine how an approval of an SBA disaster loan might affect their eligibility.
- When grantees are speaking with their constituents, it's important to have the conversation and inform that an approval of an SBA disaster loan may affect their eligibility for grant assistance.
- Constant lines of communication will help ensure SBA is aware of the grant funds being issued to the Borrower (i.e., Weekly Data Sharing report, etc.).

Whole of SBA Approach and the Role of SBA's Resource Partners

- When disasters occur, SBA uses the Whole of SBA Approach to assist businesses.
 - The **Office of Government Contracting & Business Development (GC & BD)** works with small, disadvantaged, and woman-owned businesses to ensure maximum participation in federal government contract awards and large prime subcontract awards.
 - **Small Business Development Center (SBDC)** provides counseling and training to small businesses including working with SBA to develop and provide informational tools to support business start-ups and existing business expansion.



Whole of SBA Approach and the Role of SBA's Resource Partners (Continued)

- **SCORE**- the nation's largest network of volunteer, expert business mentors, is dedicated to helping small businesses plan, launch, manage and grow their business at no cost. SCORE provides a wide range of services including training, webinars, online workshops, courses on demand, and a library of online resources.
- **Women's Business Center Program (WBC)** provides business training and counseling, access to credit and capital, and marketing opportunities, including federal contracts to women-owned businesses
- **Veterans Business Outreach Center Program (VBOC)** offers resources to veterans, service members, and military spouses who are interested in starting or growing a small business.



Women's
Business Centers



SBA's Community Partners

SBA also partners both formally and informally with local community-based organizations, Chambers of Commerce, the emergency management community, and organizations from the private, academic, and non-profit sectors to expand the reach of our resilience and response resources.

As an example, SBA has been in partnership with the Insurance Institute for Business & Home Safety (IBHS) and Insurance Information Institute (III) for five years and currently has Co-Sponsorship Agreement in place which enables us to work together to conduct joint outreach activities with for profit, nonprofit, or federal, state, or local government official or entity to help small businesses navigate disaster recovery, build resiliency and prepare for, respond to, and mitigate against disasters.



Best Practices with the Community: Case Study

The Power of Giving Back: Two Women Making a Difference in their Tornado-Damaged Community

- Presidential Disaster Declaration 17661, Severe Storms, Straight-line Winds, and Tornadoes - Griffin, Georgia
- Partnership between SBA and Alpha Kappa Alpha Sorority
- Sponsored disaster relief events in economically vulnerable and traditionally underserved areas
- Brought together SBA, FEMA, Red Cross
- Provided information, disaster loan program resources, encouragement and application assistance, helping residents connect the dots between registering with FEMA and applying with SBA.





Federal Partners in Recovery, Equity, and Resilience – U.S. Economic Development Administration (EDA)

U.S Economic Development Administration (EDA)

Mission

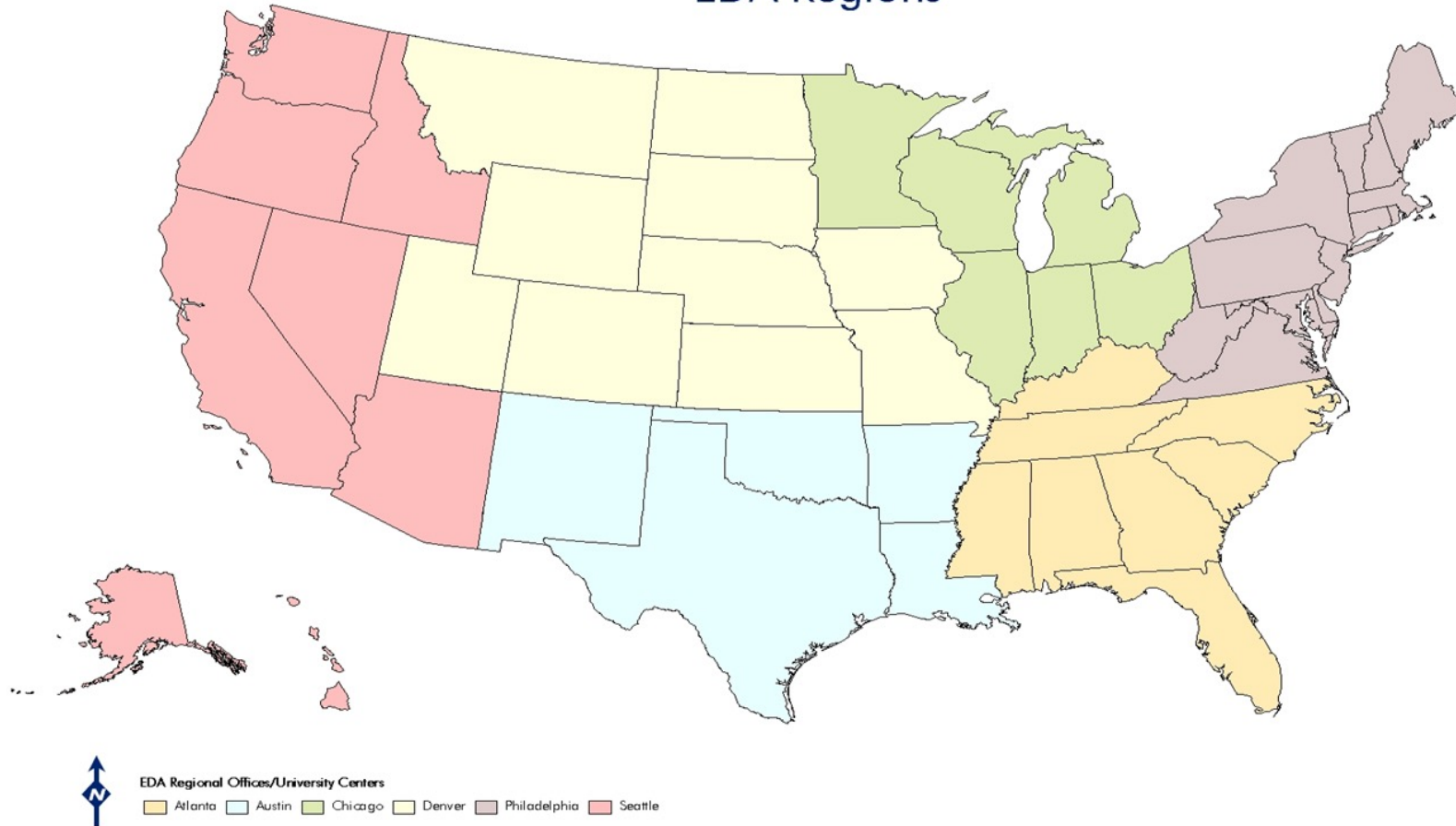
EDA's mission – to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide.

As the only Federal Agency with economic development as its exclusive mission, EDA drives collaborative regional economic development initiatives that lead to job creation.



US Department of Commerce
Economic Development Administration

EDA Regions



EDA Funding Opportunities



FY23 PUBLIC WORKS AND ECONOMIC ADJUSTMENT ASSISTANCE (PWEAA)

EDA is now accepting applications for the FY23 Public Works and Economic Adjustment Assistance (PWEAA) funding opportunity. The Public Works (PW) program provides funding for construction and infrastructure projects. The Economic Adjustment Assistance (EAA) program is EDA's most flexible program, providing funding for a wide range of technical, planning, and public works and infrastructure assistance projects.

Application Deadline: Rolling



FY23 DISASTER SUPPLEMENTAL

The FY23 Disaster Supplemental provides funding in regions impacted by Hurricanes Ian and Fiona, wildfires, flooding, and other Presidentially-declared major natural disasters throughout the United States (FY2021–FY2022).

Application Deadline: Rolling



PLANNING AND LOCAL TECHNICAL ASSISTANCE

EDA is now accepting applications for Planning and Local Technical Assistance (LTA) programs. Planning grants help regions create and implement economic development plans designed to build capacity and strengthen economies. LTA grants support projects such as feasibility studies, impact analyses, disaster resiliency plans and project planning.

Application Deadline: Rolling

EDA Funding Opportunities



BUILD TO SCALE

The \$50 million [Build to Scale](#) program provides funding for projects that strengthen ecosystems that equitably and inclusively support diverse technology innovators, entrepreneurs, and startups. These regions are growing technology-driven businesses, creating high-skill, high-wage jobs, and building the industries of the future.

Application Deadline: July 28, 2023



TECH HUBS PROGRAM

Phase 1 of the [Tech Hubs Program](#) will designate at least 20 Tech Hubs across the country and separately award approximately \$15 million in strategy development grants to accelerate the development of future Tech Hubs. This \$500 million program will invest directly into a region to drive regional technology- and innovation-centric growth by strengthening a region's capacity to manufacture, commercialize, and deploy critical technologies.

Application Deadline: August 15, 2023



RECOMPETE PILOT PROGRAM

Phase 1 of the [Recompete Pilot Program](#) will provide \$6–12 million in strategy development grants and approve at least 20 Recompete Plans. Those with approved Recompete Plans will be eligible to apply for Phase 2 implementation awards. This \$200 million program will make focused investments in persistently distressed communities to create and connect people to good jobs. This program will create renewed economic opportunity in communities where prime-age (25–54 years) employment significantly trails the national average, with the goal to close this gap through large, flexible investments.

Application Deadline: October 5, 2023

EDA Investment Priorities



Equity



Recovery & Resilience



Workforce Development



Manufacturing



Technology-Based Economic Development



Environmentally-Sustainable Development



Exports & Foreign Direct Investment

Eligible Activities - Construction

- Water, stormwater, sanitary sewer
- Roads and bridges
- Buildings
- Incubators
- Broadband
- Workforce training
- Equipment



Eligible Activities – Non-construction

- Redevelopment strategies
- Economic development strategies
- Feasibility studies
- Planning partnership
- Engineering
- Revolving loan programs
- Capacity building

EDA Funding Program Recap

Construction (distributed by Regional Offices)

- Public Works
- Economic Adjustment Assistance
- Disaster Supplemental
- Coal Communities/Nuclear

Non-Construction (distributed by Regional Offices)

- Revolving Loan Fund
- Short-Term Planning/Technical Assistance
- University Center
- Disaster Supplemental

National (distributed by HQ)

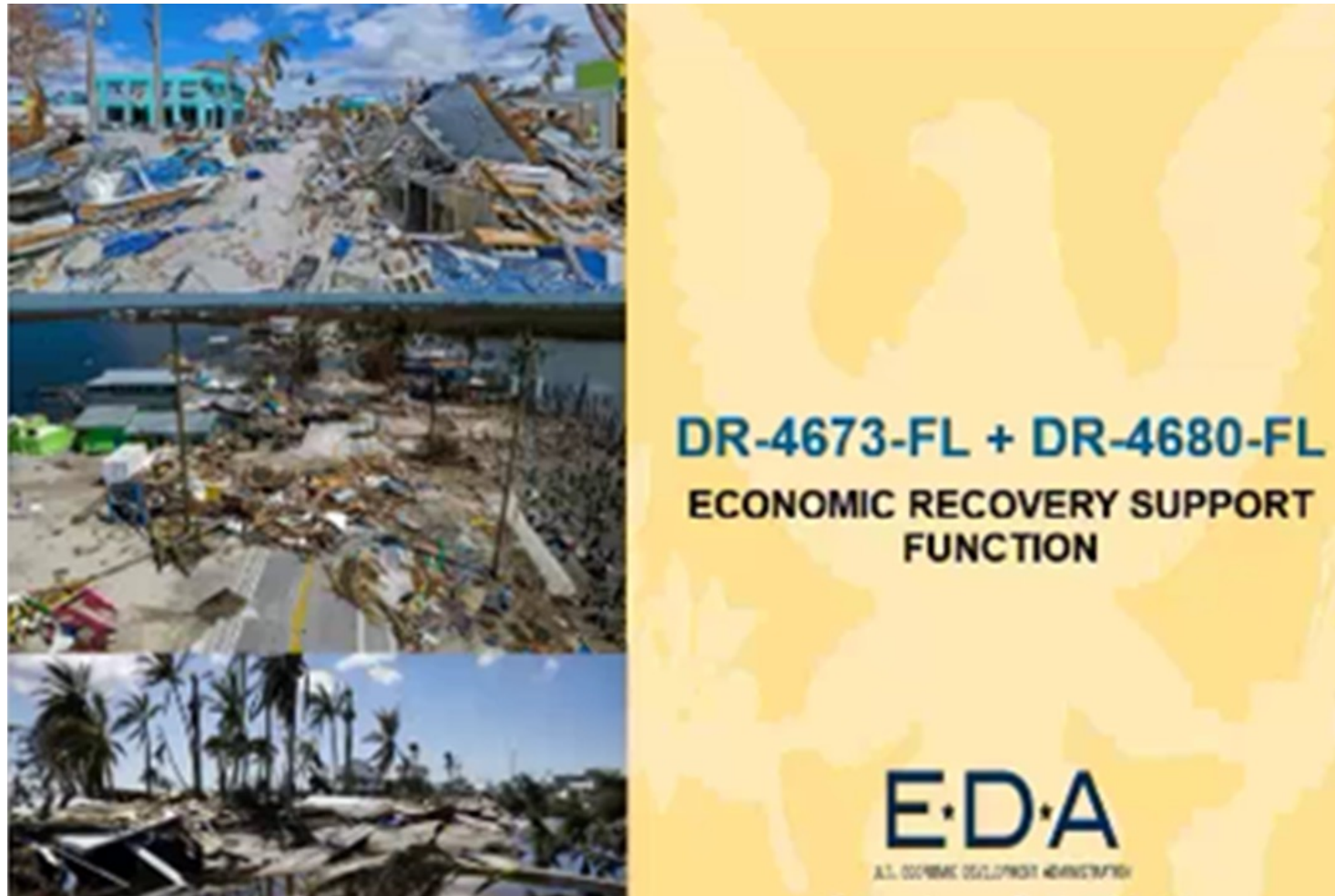
- Tech Hubs
- Re-Compete
- Build to Scale
- Good Jobs Challenge
- Build Back Better Regional Challenge

Comprehensive Economic Development Strategy (CEDS)

- New guidelines on developing a CEDS
- Provides guidance on the required sections of the CEDS
 - Summary background
 - SWOT
 - Strategic direction/action plan
 - Evaluation framework
 - Economic resilience
- Collection of suggestions, recommendations...not a list of additional requirements
- Best practices, case studies, and links
- New focus on equity, climate resilience, broadband, environmental sustainability



EDA Disaster Supplemental – Economic Recovery Support Function



EDA Disaster – DOL Dislocated Worker Grant



DR-4734-FL ECONOMIC RECOVERY SUPPORT FUNCTION

UTILIZING U.S. DEPARTMENT OF LABOR
NATIONAL DISLOCATED WORKER GRANTS
TO SUPPORT AQUACULTURE RECOVERY

E•D•A

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

Reducing Administrative Burden Takeaways

- Use compliance requirements to deliver additional economic revitalization benefits.
 - Procurement of local MWDBEs for work on other programs.
 - Duplication of benefits – opportunities to coordinate with other programs and help local businesses expand their network across the federal family.
 - Section 3 – for workers and businesses.
- Structure your programs in a way that balances the amount of assistance with the cross-cutting federal requirements, such as working capital vs construction and rehabilitation.



Resources - SBA

- [Bureau of Government Contracting & Business Development | U.S. Small Business Administration \(sba.gov\)](#)
- [Office of Small Business Development Centers | U.S. Small Business Administration \(sba.gov\)](#)
- [SCORE Business Mentoring | U.S. Small Business Administration \(sba.gov\)](#)
- [Women's Business Centers | U.S. Small Business Administration \(sba.gov\)](#)
- [Veterans Business Outreach Center \(VBOC\) program | U.S. Small Business Administration \(sba.gov\)](#)
- [IBHS.org – Insurance Institute for Business & Home Safety](#)
- [III | We are the trusted source of unique, data-driven insights on insurance to inform and empower consumers](#)

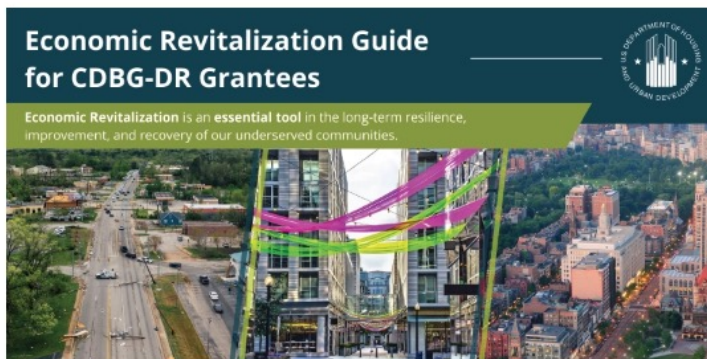
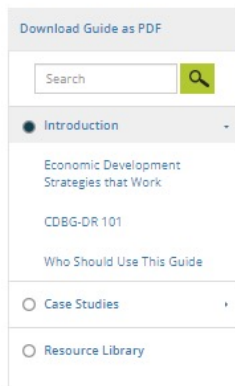
Resources - EDA

- [Comprehensive Economic Development Strategy \(CEDS\) | U.S. Economic Development Administration \(eda.gov\)](#)
- [Inclusive Recovery Toolkit \(squarespace.com\)](#)
- [EDA 2023 CEDS Content Guidelines Update – Resource Handbook - NADO](#)
- [Leading Economic Efforts in Disaster-Impacted Communities Brochure](#)

Economic Revitalization Guide for CDBG-DR Grantees

Economic Revitalization Guide for CDBG-DR Grantees

English | Spanish



Introduction

*"Families and individuals living in **underserved communities** experience greater inequity and . . . are also often more vulnerable to extreme weather events and natural disasters resulting from changing climate."*

—HUD Strategic Plan for FY2022-2026

HUD's mission is to create strong, sustainable and inclusive communities. Community Development Block Grant (CDBG) funds advance HUD's mission by supporting state and local governments to provide quality housing, create livable neighborhoods, and expand economic opportunities, especially for low- and moderate- income (LMI) residents.

CDBG Disaster Recovery (CDBG-DR) funds follow the CDBG framework with resources aimed at rebuilding communities after disasters. State, local government, and tribal grantees use CDBG-DR funds to address a wide range of disaster recovery needs related to housing, infrastructure, and economic revitalization.

Through a series of case studies, this Guide describes strategies for economic revitalization, funded by CDBG-DR, that advance recovery and resilience in underserved communities. These strategies promote the upward mobility of LMI residents and enhance the quality of life in underserved communities by supporting local businesses, driving job growth, and training residents to access quality jobs.

View the resource here: [Economic Revitalization Guide for CDBG-DR Grantees - HUD Exchange](#)

- Interactive Guidebook (English and Spanish)
- PDF Version of the Guidebook
- Overview Webinar

Resources – HUD/HUD Exchange

- [Economic Recovery and Resilience - HUD Exchange](#)
 - [Economic Recovery and Resilience Toolkit - HUD Exchange](#)
- [Understanding the CDBG-DR Consolidated Notice – HUD Exchange](#)
 - [Section 2: Eligible Activities: Economic Revitalization](#)
- CDBG-DR Policy Bulletin 2022-01: Economic Revitalization and Investing in Disaster-Impacted Communities ([English](#) | [Spanish](#))
- [CDBG-DR Toolkit: Program Implementation: Economic Revitalization – HUD Exchange](#)



Questions and Answers

A photograph of the St. Louis Gateway Arch and the city skyline is framed within a white, irregular hexagonal shape on the left side of the slide. The arch is a large, white, catenary-shaped structure that dominates the left side of the image. In the background, the city skyline of St. Louis is visible, including the Old Courthouse and other buildings. The American flag is also visible in the foreground.

Thank You!

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

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

Next Session

The next sessions will begin at 11:00 a.m. CDT

Navigating Compliance to Detect and Prevent a
Duplication of Benefits: Grand Ballroom DEF

Streamlining Procurement and Contractor Management
in CDBG-DR Home Repair Programs: Grand Ballroom
ABC