

STATE OF NEBRASKA

Community Development Block Grant - Disaster Recovery (CDBG-DR) Program

First Amendment (Substantial)
Overview to State of Nebraska
CDBG-DR Action Plan

DECEMBER 2021

NEBRASKA

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First Amendment (Substantial) to State of Nebraska CDBG-DR Action Plan

The following slides are an overview of the proposed changes to the Action Plan that involve a “substantial” change, including:

- **Affordable Housing Construction Program (AHCP)**
 - **Homeowner Assistance Program (HAP)**
- 

First Amendment (Substantial) to State of Nebraska CDBG-DR Action Plan

Why the changes?

- Improve implementation of the AHCP by more fully recognizing the role of for-profit developers in executing affordable housing projects involving Low Income Housing Tax Credits (LIHTC)
- Clarify eligibility requirements for non-profit applicants under HAP to potentially expand the pool of applicants.

Total allocations defined within the approved Action Plan will remain the same under the First Amendment (Substantial).

DED will undertake necessary revisions to policies and procedures to implement changes made by this Substantial Amendment.



First Amendment (Substantial) to State of Nebraska CDBG-DR Action Plan

The Action Plan and Amendments are available [here](#).

- State of Nebraska DR-4420 Action Plan
 - [Action Plan](#) | April 2021
 - [Citizen Participation Plan](#) | Version 1.1, Revised August 2021
 - Proposed Substantial Amendment 1 | **For Public Comment December 10, 2021 to January 10, 2022**
 - Amendment 1 | [Summary of Changes](#)
 - Action Plan Amendment 1 | [Redlined](#)
- Plan de Acción DR-4420 del Estado de Nebraska
 - [Plan de Acción](#) | Abril 2021
 - El Plan de Participación Ciudadana
 - Propuesta de Enmienda Sustancial 1 | **Para Comentario Público 10 de diciembre de 2021 al 10 de enero de 2022**
 - Enmienda 1 | [Resumen de Cambios](#)

First Amendment (Substantial) to State of Nebraska CDBG-DR Action Plan

Direct links:

- Amendment 1 | [Summary of Changes](#)
- Action Plan Amendment 1 | [Redlined](#)
 - This is a “marked up” version of the [April 2021](#) HUD-Approved Action Plan
 - Example of how changes appear in the “redlined” pdf:

Eligible Applicants

- Units of local government
- Non-profit 501(c)(3) and 501(c)(4) organizations ~~approved to provide housing counseling, homeownership education, and homebuyer programs.~~

DED will issue a Notice of Funding Opportunity (NOFO) for eligible entities that will describe the application and selection process in detail. Eligible applicants will submit applications in a

Affordable Housing Construction Program

Summary of Changes

| | |
|------------------------|---|
| Description | <p>Eligible applicant list expanded to include “Developers, including both non-profit and for-profit”.</p> <p>Clarification that DED will issue one or more Notices of Funding Opportunity, and eligible applicants will enter into funding agreements with DED upon award.</p> |
| Reasoning | Improve implementation of the AHCP by more fully recognizing the role of for-profit developers in executing affordable housing projects involving Low Income Housing Tax Credits (LIHTC). |
| Area(s) of Action Plan | Section 5.2.2 Page 100 of Redlined pdf |

Affordable Housing Construction Program

Summary of Changes

Description

“For more development activities, DED will directly award funds (typically in the form of a loan) to developers, including non-profit or for-profit entities. In other cases, local government, PHA, and nonprofit applicants may be designated as subrecipients. Subrecipients will operate as the primary administrative entity of their respective grants from DED, in turn sub-awarding CDBG-DR funds to the actual ownership entity developing the housing (typically in the form of a loan.”

Reasoning

Improve implementation of the AHCP by more fully recognizing the role of for-profit developers in executing affordable housing projects involving Low Income Housing Tax Credits (LIHTC).

Area(s) of Action Plan

Section 5.2.2

Page 101 of [Redlined](#) pdf

Affordable Housing Construction Program

Summary of Changes

| | |
|------------------------|--|
| Description | “In all cases, DED will maintain regular oversight and reporting with all funded entities (whether designated from a regulatory standpoint as a developer or subrecipient). DED will conduct regular auditing and monitoring of all counterparties to ensure that the program’s policies and procedures are being followed appropriately.” |
| Reasoning | Improve implementation of the AHCP by more fully recognizing the role of for-profit developers in executing affordable housing projects involving Low Income Housing Tax Credits (LIHTC). |
| Area(s) of Action Plan | Section 5.2.2 |
| | Page 101 of Redlined pdf |

Affordable Housing Construction Program

Summary of Changes

| | |
|------------------------|--|
| Description | <p>Revised to reflect that funding will also be administered to applicants that include for-profit developers of rental housing. Note that for-profit development entities will be managed in a process that is distinct from structures designated for Subrecipients.</p> <p>For-profit development entities will be referenced as “applicants,” even if they are selected for funding under the Affordable Housing Construction Program.</p> |
| Reasoning | <p>Improve implementation of the AHCP by more fully recognizing the role of for-profit developers in executing affordable housing projects involving Low Income Housing Tax Credits (LIHTC)</p> |
| Area(s) of Action Plan | <p>Section 5.2.2</p> <p>Page 102 of Redlined pdf</p> |

Homeownership Assistance Program

Summary of Changes

Description

Under Eligible Applicants, clarify non-profit eligibility by removing requirement that the non-profit is approved to provide housing counseling, homeownership education, and homebuyer programs.

Reasoning

This change allows for a non-profit applicant to apply under HAP and refer beneficiaries to HUD-certified agencies for housing counseling.

Area(s) of Action Plan

Section 5.2.3

Page 106 of [Redlined](#) pdf

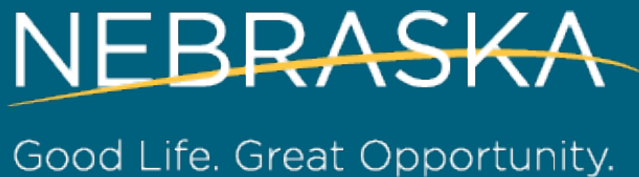
“Clean-up” Change

| Summary of Changes | |
|------------------------|--|
| Description | Removed Appendix C from the Action Plan. |
| Reasoning | <p>The Citizenship Participation Plan (CPP), which is now outdated, was removed and replaced with the following language: “The current, approved Citizen Participation Plan can be found at:</p> <p>https://opportunity.nebraska.gov/program/cd/bg_dr/.”</p> <p>The current CPP is here. HUD has already acknowledged this revised CPP.</p> |
| Area(s) of Action Plan | Appendix C |
| | Pages 168-181 of Redlined pdf |

Public Comment Period

DED will accept public comments regarding the proposed amendment until **5:00 p.m. CDT on January 10, 2022**. To submit a comment, email the comment to ded.publiccomment@nebraska.gov with the subject line “Proposed CDBG-DR Amendment”.

The public hearing is scheduled for 1:00 p.m. CDT on December 27, 2021, at the DED Main Offices at 301 Centennial Mall South, Lincoln, NE 68508.



Public Comment Inbox

TO: ded.PublicComment@nebraska.gov

Subj: “Proposed CDBG-DR Amendment”

Additional information about this public hearing is available [here](#).

Submit a Public Comment

What: Public Comment on Proposed CDBG-DR Amendment

When: December 10, 2021 – January 10, 2022 by 5 p.m. CDT

How:

1. Email: the comment to ded.PublicComment@nebraska.gov with the subject line “Proposed CDBG-DR Amendment”.
2. Mail: Nebraska Department of Economic Development, ATTN: CDBG-DR Program Manager, PO Box 94666, Lincoln, NE 68509-4666. Please be sure to reference “Proposed CDBG-DR Amendment”.

Attend the Public Hearing


What: Public Hearing on Proposed CDBG-DR Amendment

When: 1:00 p.m. CDT on December 27, 2021

How:

- **In-person:** DED Main Offices, 301 Centennial Mall South, Lincoln, NE 68508
- **Webinar:** [Register](#)

Additional information about this public hearing is available [here](#).



Contact Information

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CDBG-DR Assistance

Housing & Community Development

ded.cdbgdr@nebraska.gov

To stay up-to-date on CDBG-DR information, please join the CDBG-DR listserv at <https://opportunity.nebraska.gov/cdbg-dr-contact-form/>.

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