

# Q&A NOTES FORMATED FOR DISSEMINATION

## NEBRASKA CDBG-DR OUTREACH MEETINGS, NOVEMBER 29, 2021.

Names and organizations omitted for privacy.

### MEETING 1

The following table summarizes questions asked by participants during the first public meeting (November 29, 2:00 p.m. – 3:00 p.m. CT). **Targeted Stakeholders, Developers, and Subrecipients** (i.e., potential applicants) were the intended audience. The following table presents questions asked by participants during the second public meeting (November 29, 5:15 p.m. – 6:15 p.m. CT). Questions and answers are not directly transcribed and have been edited for clarity.

Question	Answer
Can you speak more on the affordability requirement when there are less than three units being constructed?	According to guidance from HUD, the affordability requirements apply when there are five or more units. It is recommended to apply the new construction (20 years) or rehab requirement (15 years).
The State of Nebraska approved funding 5% of the local cost share, how does this impact the MID area and overall allocations?	The 5% funding of the local cost share rearranges resources but does not impact the eligibility for the program.
Can homebuyer counseling be provided by HUD-certified counselors but not a HUD-approved agency?	No, homebuyer counseling must be provided by a HUD-certified counselor and employed by a HUD-approved agency. We do not anticipate that a <i>Subrecipient</i> need to be HUD-approved, however, they will need to have a partnership with an organization with a HUD-certified counselor and employed by a HUD-approved agency. <sup>6</sup>
Is this appropriate for non-profits that build new homes for low-income citizens?	Non-profits are eligible for this program.

<sup>6</sup> Clarification regarding subrecipient not having to be a HUD-approved agency included in proposed First Amendment (Substantial) to the Action Plan.

Question	Answer
<p>How soon will the Infrastructure Match Program for the Federal Emergency Management Agency's Public Assistance Program become available?</p>	<p>A specific date is not yet available. Our best estimate suggests the Infrastructure Match Program for the Federal Emergency Management Agency's Public Assistance Program will become available in Q1 2022.</p> <p>DED is working with HUD to understand project eligibility for projects that are complete, underway, and have yet to start to ensure all projects meet the requirements of the CDBG-DR program.</p> <p>Entities who have already completed a project funded through FEMA Public Assistance, have already paid their local match, and where that project meets all requirements under the CDBG-DR program are likely to receive funding the soonest.</p>
<p>When do you anticipate that the CDBG-DR Green Building Standards will be available?</p>	<p>No specific date is available. However, the CDBG-DR Green Building Standards should be available soon. DED is currently developing program and policy guides for the specific requirements of the CDBG-DR program. Many of these documents are subject to review and approval by HUD.</p> <p>Joining the DR mailing list is the fastest way to receive program updates and notifications that new information, such as publication of program guides or other items in a program's Project Toolbox are available.</p>
<p>When will the NIFA plan be publicized?</p>	<p>DED expects to launch the Affordable Housing Construction programs in Q1 2022. Actual timing of the "joint application" – which is a collaborative application with NIFA for multifamily, rental housing – is dependent upon NIFA. DED focused on the joint application process with NIFA because the application was already familiar to many beneficiaries, organizations, and subrecipients. However, developing the back-end infrastructure is taking longer than expected, in part due to unforeseen delays with NIFA's QAP process.</p>

Question	Answer
<p>What help is available for roads and engineering, for example, asphaltting roads?</p>	<p>This type of work would be potentially eligible for the Infrastructure Match program. To be eligible for Infrastructure Match Program, the project must be receiving funding through the FEMA PA program or HMGP. Applicants must also demonstrate a tie to the disaster. Specifically, to be funded under the Match program, the project must have an approved FEMA worksheet.</p>
<p>Can CDBG-DR be used alongside HOME and HTF funds?</p>	<p>No, this would result in too much layering of program funding and is high-risk in terms of compliance considerations for all parties involved. Ideally, all grant funding under the joint application would come from one source (e.g., CDBG-DR <i>or</i> HOME, not CDBG-DR <i>and</i> HOME).</p>
<p>Have you set the timing for the DED-managed CDBG-DR round yet?</p>	<p>No, please stay tuned and be sure to join the DR mailing list for these types of announcements.</p>
<p>How much of a project budget can come from a given funding source? Is the 25% development cost applying to HTF, CDBG-DR, and HOME cumulatively, or no individual program can exceed 25%?</p>	<p>This is not a CDBG-DR requirement. However, it may be a NIFA requirement.</p>
<p>How quickly will the for-profit AHCP substantial amendment be approved?</p>	<p>We expect approval for the first (substantial) amendment will occur during Q1 2022. DED and HUD have already discussed this amendment. DED is working on the amendment language which must be posted to the website coinciding with a 30-day public comment period. After the public comment period and HUD's subsequent approval, DED must post the updated document on the DED website before the changes can go into effect. For more information, refer to the Citizen Participation Plan.</p>

Question	Answer
<p>What is the process like for people who were not directly impacted?</p>	<p>The CDBG-DR housing programs <i>prioritize</i> beneficiaries that were directly impacted by the disaster. DED is asking HUD for more clarity related to this issue given, from what we know from our peers in CDBG-DR, in practice, it is not likely for a CDBG-DR funded unit to necessarily <i>replace</i> a specific disaster-destroyed unit.</p> <p>While the CDBG-DR program aims to support long-term disaster <i>recovery</i>, HUD now takes a broader view on disaster <i>resilience</i>. Housing affordability is necessary for community resilience. HUD and DED recognize the benefits of a broad range of housing options in all areas, which means adding affordable units to the market. In particular, the CDBG-DR housing programs will add units to the HUD-defined MID areas.</p>
<p>What is the maximum CDBG-DR funds you can ask for in a LIHTC project?</p>	<p>There is a maximum of \$2,000,000 per project, with a maximum of \$150,000 per unit.</p>
<p>How will the 80% AMI component of LMI be managed in a rental project?</p>	<p>The 80% AMI will be based both on targeted rents <i>and</i> income qualifications. At least fifty percent plus one of the project units must be income or rent restricted at or below 80% AMI.</p> <p>HUD does not define the targeted rent limit. Instead, DED defines affordable rent using the same basic calculation for tax credits.</p>

Question	Answer
<p>What does the tieback to the disaster need to look like with regards to Multifamily LMI Construction?</p>	<p>Tieback is demonstrated based on the exposure to the disaster. We know that many of the (non-CDBG-DR) programs already expended have addressed some of the more urgent needs for housing, and this funding will serve unmet needs resulting directly from the disasters or from its cascading impacts. While replacing a housing unit lost to the disaster with a CDBG-DR-funded unit is the ideal, it is unlikely to be achievable in every instance. Households impacted by disasters do not follow a fixed, discernible nor predictable pattern (i.e., some may choose to permanently relocate to an area outside of the HUD-identified MID for a job, family, or other life-choice and others may decide to pursue homeownership), and the timing of these funds may not align with the actions and needs of individual households. Thus, the purpose of these housing programs is to increase the availability and affordability of decent, safe housing in the HUD-identified MID areas.</p> <p>As an analogy, if we were to think of the disaster as a “patient,” the CDBG-DR program is <b>not</b> the urgent emergency care or direct assistance. It is the rehabilitative therapy done to support long-term recovery and may have broader implications than the immediate impact from the disaster.</p>

## MEETING 2

The following table presents questions asked by participants during the second public meeting (November 29, 5:15 p.m. – 6:15 p.m. CT). **Beneficiaries** (i.e., general public) were the intended audience. Questions and answers are not directly transcribed and have been edited for clarity.

Question	Answer
<p>Is local match for PA defined as the State's match and the local municipality's match?</p>	<p>Yes.</p>

Question	Answer
<p>Is the Homeowner Assistance Program able to reimburse homeowners who have already moved?</p>	<p>The Homeowner Assistance Program is targeted at people who were directly impacted by DR-4420 and have not yet been able to purchase a home (or for impacted renters to become homeowners). This is not designed for individuals who were already able to buy a new house as they likely had the resources required to replace their home. We are unable to retroactively assist homeowners with HAP.</p> <p>However, this program does not only apply to individuals who were homeowners at the time of DR-4420. Again, renters who would like to become homeowners may benefit from HAP.</p> <p>The purpose of the CDBG-DR housing programs is to increase the overall affordability of housing in the State, specifically by increasing the number of affordable housing units and having a range of options to be able to live in the community. While individuals directly impacted by the disaster are the highest priority, there are certainly other people who can benefit from these programs.</p>
<p>Would it be possible to receive these slides?</p>	<p>Yes.</p>
<p>You mentioned that funds may be used for land acquisition - is that for housing development within a certain timeline?</p>	<p>Funding for land acquisition would be for eligible construction activities. There is no specific timeline, but the funds need to be used as soon as possible.</p>
<p>With rising construction costs for infrastructure repairs - some projects may go over the amount obligated through the FEMA PA program. Is the Infrastructure Match Program limited to 10%?</p>	<p>The Infrastructure Match Program is limited to the “non-federal share” or 10% of a FEMA PA approved Project Worksheet. Participation in the FEMA PA program takes contingencies related to increasing costs of goods and services into consideration with the implementation of the program. The 10% match amount will not change unless FEMA introduces an update to the disaster on their end.</p>