Community Development Block Grant - Disaster Recovery (CDBG-DR) Program for DR-4420

Community Meeting For Subrecipients

November 29, 2021



WEBEX OVERVIEW



The **chat** will be monitored for questions and comments.



Utilize the **chat** during the conversation.



You will be kept on **mute** during the meeting. Please use the **chat** to ask questions during the discussion.



Know that we will be available via **email** for any additional thoughts or feedback.

INTRODUCTION

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HOW TO STAY INVOLVED

Q&A

INTRODUCTIONS

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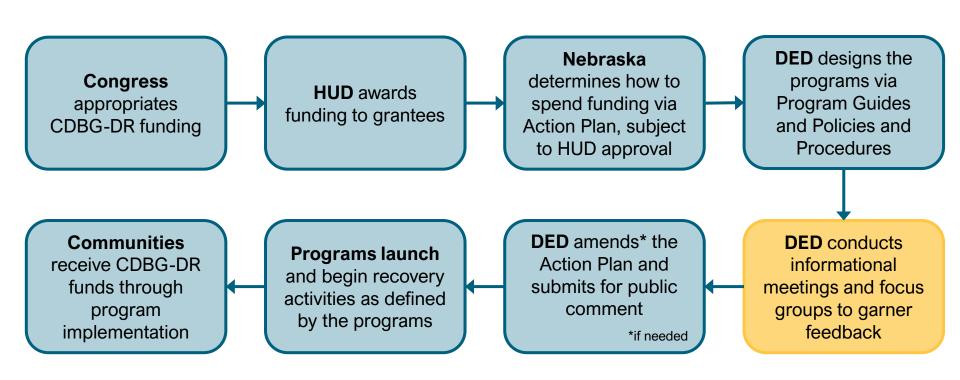
MEETING OBJECTIVES

- Explain the purpose of the State of Nebraska's CDBG-DR programs.
- Detail program eligibility requirements.
- Describe the timelines and application processes for each program.
- **Provide** an opportunity for meeting participants to provide feedback on program implementation and design.
- **Identify** opportunities to engage with the programs and receive information via the State's mailing list.

INTRODUCTION TO CDBG-DR

- The United States Department of Housing and Urban Development (HUD) administers the CDBG-DR Program nationally.
- The Nebraska Department of Economic Development (DED) manages the CDBG-DR Program for the State of Nebraska.
- CDBG-DR provides flexible grants to support long-term recovery efforts and address remaining unmet needs that are not addressed by other funding sources.
- Funds must prioritize spending in HUD-identified Most-Impacted and Distressed (MID) areas and for Low- to Moderate-Income (LMI) populations.
 - 80% of funds must address needs in the HUD-identified MID.
 - 70% of funds must support LMI populations.

HOW DOES THE STATE ACCESS CDBG-DR FUNDS?



INTRODUCTION

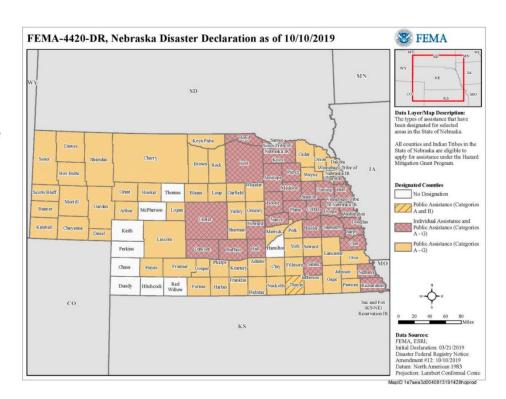
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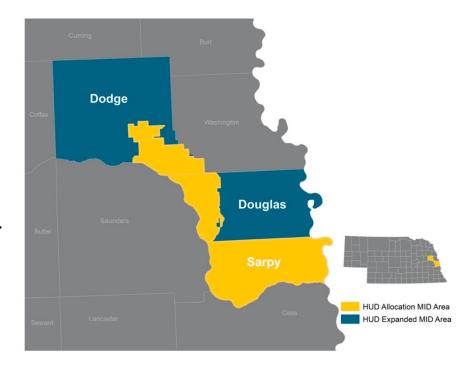
ASSOCIATED ALLOCATIONS

- The current disaster covered by CDBG-DR funds is DR-4420 for severe winter storm, straight-line winds, and flooding.
- All impacted areas may be eligible for program funds.



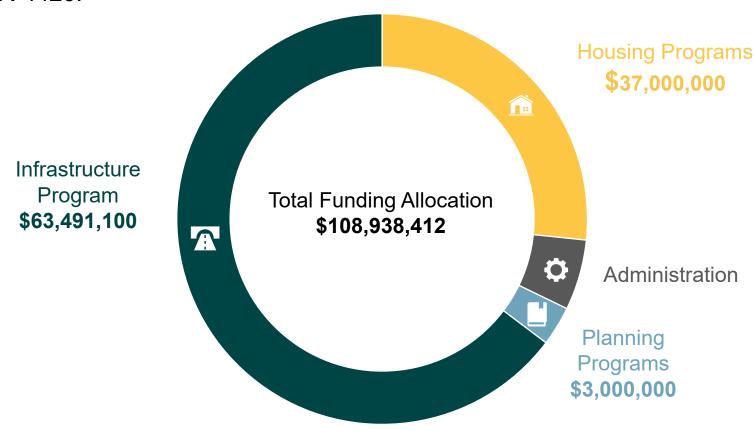
HUD-DEFINED MOST IMPACTED AND DISTRESSED (MID) AREAS

- The HUD-defined MID area includes Dodge, Douglas, and Sarpy counties.
- 80% of program funds must be spent in the HUD-defined MID area.



CDBG-DR PROGRAM FOR DR-4420

The State of Nebraska is overseeing five CDBG-DR programs in response to DR-4420:



INFRASTRUCTURE MATCH PROGRAM





- FEMA provides funding for disaster recovery.
 - Public Assistance (PA) provides funding to repair or rebuild infrastructure. FEMA funds 90% of the project cost and local jurisdictions are responsible for the remaining 10%.
 - FEMA Hazard Mitigation Grant Program (HMGP) provides funding for projects that mitigate risks from future disasters. FEMA funds 75% of the project cost and local jurisdictions are responsible for the remaining 25%.
- The Infrastructure Match Program provides funding to supplement the local cost share of these programs.

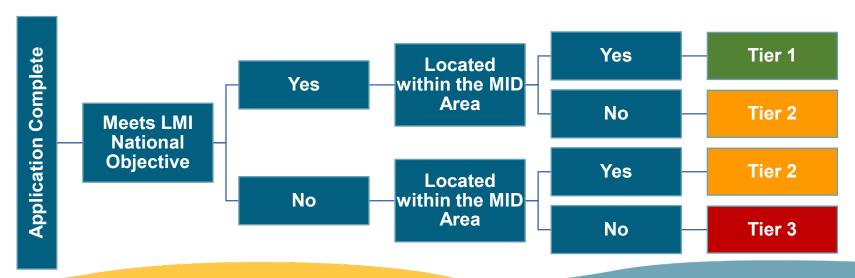
75% of funding is allocated for the FEMA PA Match

25% of funding is allocated for the FEMA HMGP Match



APPLICATION TIERING

- Applications will be classified in three tiers:
 - Tier 1: Project is in HUD-identified MID and meets the LMI National Objective.
 - Tier 2: Project is in HUD-identified MID or meets the LMI National Objective.
 - **Tier 3**: Project is not located in the HUD-identified MID and does **not** meet the LMI National Objective.





INFRASTRUCTURE MATCH PROGRAM: SUBRECIPIENT GUIDE

Eligible Entities

Eligible entities are Recipients of FEMA-PA and HMGP funds, and may include:

- Local governments
- Public schools (K-12)
- Universities
- Natural Resource Districts
- Other local program
 Applicants eligible to
 receive federal recovery
 funds, including eligible
 private non-profit
 organizations

Eligible Activities

Eligible activities that may be funded under the Infrastructure Match Program include:

- Acquisition of Real Property
- Public Facilities and Improvements
- Code Enforcement
- Clearance
- Public Services
- Planning

Note that all activities must exhibit a tieback to DR-4420.

NOFA Process

The State will pre-identify recipients of FEMA-PA and/or HMGP funds who may be eligible for Match.



The State will release a Notice of Funding Availability (NOFA) to eligible Applicants.



Eligible Applicants will work with DED to accept or decline the funding opportunity.

HOUSING PROGRAMS





HOUSING PROGRAMS

AFFORDABLE HOUSING CONSTRUCTION PROGRAM

The Affordable Housing
Construction Program (AHCP)
funds construction and
rehabilitation of both multi-family
and single-family homes for LMI
families.

\$26,000,000 in available funding

HOMEOWNER ASSISTANCE PROGRAM

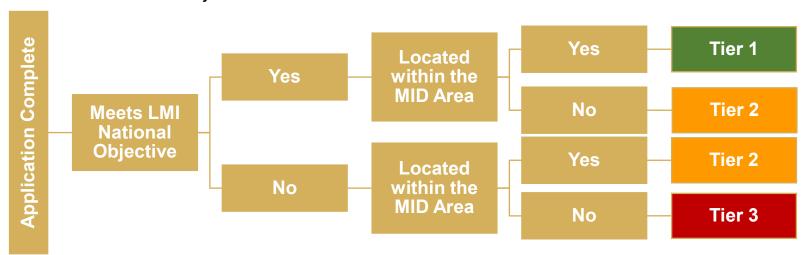
The Homeowner Assistance
Program (HAP) helps
homeowners who lost their
houses, prospective homebuyers,
and renters with gap financing,
principal reduction, and forgivable
housing loans.

\$11,000,000 in available funding



APPLICATION TIERING

- Applications will be classified in three tiers:
 - Tier 1: Project is in a HUD-identified MID area and meets the LMI National Objective.
 - **Tier 2**: Project is in a HUD-identified MID area **or** meets the LMI National Objective.
 - **Tier 3**: Project is not located in a HUD-identified MID area and does **not** meet the LMI National Objective.



AFFORDABLE HOUSING CONSTRUCTION PROGRAM





AFFORDABLE HOUSING CONSTRUCTION PROGRAM

There are two applications that will be used to identify and select eligible Subrecipients for the Affordable Housing Construction Program:

JOINT LOW-INCOME HOUSING TAX CREDITS (LIHTC) APPLICATION

- DED is partnering with the Nebraska Investment Finance Authority (NIFA) to offer a joint application that will be incorporated to the application for LIHTC.
- Applicants are not required to be eligible for LIHTC to be considered eligible for CDBG-DR funds.
- Funding through the joint application will support construction and rehabilitation of rental housing.

DED-MANAGED APPLICATION

- DED is managing an independent application for CDBG-DR funds open to Subrecipients for eligible activities, including construction of affordable single-family housing.
- Eligible activities include:
 - Construction of owneroccupied housing
 - New home construction for sale to LMI homeowners
 - Land acquisition



AFFORDABLE HOUSING CONSTRUCTION PROGRAM: SUBRECIPIENT GUIDANCE

Eligible Entities

Eligible entities include:

- Units of local government
- Non-profit 501(c)(3) and 501(c)(4) organizations that access and use state or federal housing grants to develop affordable housing
- Public Housing Authorities
- Developers, including both non-profit and for-profit entities*

*For-profit developers to be considered eligible pending approval of a substantial amendment to the Action Plan.

Eligible Activities

Eligibility covers construction for both rental and owneroccupied housing, including activities such as:

- Construction of rental housing
- Construction of owneroccupied housing
- New construction of homes for sale to LMI homeowners
- Rehabilitation of rental housing
- Land acquisition for eligible construction activities

Application Process

Eligible Subrecipients apply for the Program via either the joint LIHTC application or the DED-managed application.



DED classifies Applicants into tiers and selects Subrecipients accordingly.



Subrecipients manage construction activities at the local level to implement the program.

HOMEOWNER ASSISTANCE PROGRAM





HOMEOWNER ASSISTANCE PROGRAM

- The Homeowner Assistance Program (HAP) provides non-construction forms of assistance to <u>LMI</u> individuals who lost their homes in the 2019 floods, including both homeowners and renters. Eligible activities include:
 - Down Payment and Closing Cost Assistance
 - Gap Financing
 - Housing Counseling
- DED will distribute funds to local Subrecipients, who will be responsible for managing implementation at the local level.
- Eligible beneficiaries must contribute a least 1% of the purchase price of the home.
- Eligible beneficiaries must attend a pre-purchase homebuyer counseling class provided by a HUD-approved counseling agency.



HOMEOWNER ASSISTANCE PROGRAM: SUBRECIPIENT GUIDE

Eligible Entities

Eligible entities include:

- Units of local government (e.g., counties, cities, or villages)
- 501(c)(3) or 501(c)(4) nonprofit organizations

Subrecipients must ensure beneficiaries earn between 40% and 80% of area median income (AMI) and meet all other eligibility requirements.

Eligible Activities

Eligible activities are limited to non-construction forms of assistance and include:

- Down Payment and Closing Cost Assistance
- Gap Financing
- Housing Counseling

Eligible beneficiaries must contribute a least 1% of the purchase price of a house and attend a pre-purchase homebuyer counseling class provided by a HUD-approved counseling agency.

Application Process

DED releases a Notice of Funding Opportunity (NOFO) and Subrecipients apply for the Program.



DED classifies Applicants into tiers and selects Subrecipients accordingly.



Subrecipients manage distribution of funds to beneficiaries at the local level.

PLANNING PROGRAMS





PLANNING PROGRAMS

DED will administer two planning programs with CDBG-DR funding to increase resilience throughout Nebraska:

RISK AWARENESS PLANNING PROGRAM

Evaluate how privately-owned levees and levee-like structures affected flooding during Winter Storm Ulmer and fund community engagement and risk communication.

Up to \$750,000 in available funding

HOUSING RESILIENCE PLANNING PROGRAM

Provide funding to Subrecipients to develop plans related to housing recovery, resiliency, and affordability.

Up to \$2,250,000 in available funding



- The Risk Awareness Planning Program is a single grant administered by DED and the Nebraska Department of Natural Resources (NeDNR).
- The contract has two phases:
 - Discovery and Planning: Collect available data necessary to make an inventory and risk assessment of existing levee-like structures in Nebraska.
 - Outreach: Increase awareness of risks associated with levee-like structures and create materials that communities can use to build resilience.

No additional grants will be provided to Subrecipients.



HOUSING RESILIENCE PLANNING PROGRAM: APPLICATION TIERING

DED will prioritize projects that support two or more of the following:

- Supportive housing residents
- LMI populations
- People experiencing homelessness
- HUD-identified MID areas

Applications will also be evaluated based on how they address:

- Poverty areas
- School proficiency
- Labor market engagement

- Jobs proximity
- Transportation costs
- Transit trips index
- Environmental health indicator



HOUSING RESILIENCE PLANNING PROGRAM: SUBRECIPIENT GUIDE

Eligible Entities

Eligible Applicants include:

- Counties
- Municipalities
- Economic Development Districts representing HUD-identified MID areas

All Subrecipients under this program will be in the HUD-identified MID areas.

Eligible Activities

Communities can use funding to develop a plan that incorporates one or more of the following:

- Housing Recovery
- Housing Resilience
- Affordable Housing

Application Process

DED releases a Notice of Funding Opportunity (NOFO) and Subrecipients apply for the Program.



DED classifies Applicants into tiers and selects Subrecipients accordingly.



Subrecipients develop Housing Plans with support from DED. INTRODUCTION

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UPCOMING ENGAGEMENT



Public Comment Opportunities



Review and Engage Online



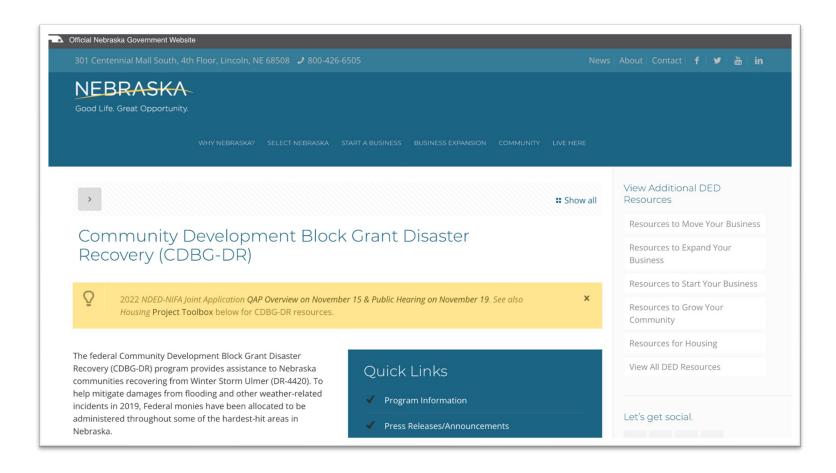
Attend Focus
Groups

UPCOMING ENGAGEMENT: PUBLIC COMMENT OPPORTUNITIES

- DED is currently proposing a substantial Action Plan Amendment. This will require a public comment period.
- This upcoming comment period is to be announced.



UPCOMING ENGAGEMENT: REVIEW AND ENGAGE ONLINE



UPCOMING ENGAGEMENT: ATTEND FOCUS GROUPS

- Guide program development.
- Support understanding of issues through the eyes of stakeholders.
- Identify potential barriers and implementation challenges.
- It is estimated the first round of focus groups will begin in January 2022.



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QUESTIONS?

Contact Information

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Good Life. Great Opportunity.