Community Development Block Grant Disaster Recovery (CDBG-DR) Mitigation Set-Aside Funds

Proactively addressing the impacts of climate change and natural disasters is critical to building long-term community resilience. Mitigation is one of the best ways to support the health and wellbeing of vulnerable community members before disaster strikes. The new CDBG-DR Mitigation set-aside requirement for CDBG-DR enable our nation's communities to proactively implement innovative climate adaptation solutions that will make their communities more resilient and equitable.

The Disaster Relief Supplemental Appropriations Act of 2021 requires HUD to set aside 15 percent of disaster recovery grants for disaster mitigation activities in any allocation of CDBG-DR funds for unmet needs.

Action plan requirements for CDBG-DR Mitigation set-aside:
1. Grantees must identify how their proposed use of CDBG-DR Mitigation set-aside will meet the definition of mitigation activities;
2. Address the current and future risks as identified in the grantee's mitigation needs assessment in the most impacted and distressed areas;
3. Ensure that proposed activities are CDBG eligible activities under title I of the HCDA or otherwise eligible pursuant to a waiver of alternative requirement; and
4. Meet a national objective of the program.

MITIGATION ACTIVITIES ARE THOSE THAT INCREASE RESILIENCE TO FUTURE DISASTERS AND REDUCE OR ELIMINATE THE LONG-TERM RISK OF LOSS OF LIFE, INJURY, DAMAGE TO AND LOSS OF PROPERTY, AND SUFFERING AND HARDSHIP.
Mitigation Needs Assessment

Grantees must conduct a risk-based assessment of current and future hazards to inform the use of their CDBG-DR mitigation set-aside. Grantees must also assess their disaster mitigation needs in a manner that effectively enables continuous operation of indispensable services, which include:

- Critical business and government functions
- Services critical to health and human safety
- Economic security for all community members

When building a Mitigation Needs Assessment, grantees must cite data sources, and, at minimum, use the risks identified in the current FEMA-approved state or local Hazard Mitigation Plan (HMP).

Tie-Back to the Disaster

Grantees may meet requirements of the CDBG-DR mitigation set-aside:

1. By including eligible recovery activities that address the impacts of the disaster (i.e., “tie-back” to the specific qualified disaster) and also incorporate mitigation measures into the recovery activities, OR
2. By including eligible activities that don't have a "tie-back" to the the specific qualified disaster but still incorporate mitigation measures into the recovery activities.

Reporting on the Activities

Grantees that wish to count certain activities towards the grantee’s CDBG-DR mitigation set-aside must:

1. Document how those activities and the incorporated mitigation measures will meet the definition of mitigation; AND
2. Report those activities as a "MIT" activity type in DRGR (grant reporting software) so they are easily tracked.