

DRSI DIGEST

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DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT

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HUD Community Development Block Grant Disaster Recovery Program



MESSAGE FROM DRSI DIRECTOR: TENNILLE S. PARKER

The Disaster Recovery and Special Issues Division (DRSI) is pleased to publish the fourth issue of our DRSI Digest. The DRSI Digest is a quarterly newsletter to keep grantees and partners informed on the latest policy issues affecting our grantees, announcements on training and information-sharing, and highlighting the work Community Development Block Grant disaster recovery (CDBG-DR) and mitigation (CDBG-MIT) grantees are doing in the field every day.

As many of our grantees' communities have discovered in recent years, the severity of extreme weather events has been increasing with time and can result in unprecedented impacts. These catastrophic events can force disaster victims out of their homes and cause irreparable damage to the point where they cannot return to the same home. As devastating as this can be, our grantees have the opportunity to offer some reprieve by keeping people in their communities long-term with the construction of new, resilient, and affordable housing, especially for those historically underserved populations who often need housing assistance the most. In this newsletter, we'll highlight a successfully executed new housing construction project that leveraged CDBG-DR funding to help bring displaced families back home to a much more resilient community.

NEW PRODUCTS

[DISASTER RECOVERY TOOLS & TEMPLATES LIBRARY](#)

[NEW! ANIMATED URA & SECTION 104\(D\) CDBG-DR TRAINING VIDEO](#)

[LEARN MORE ABOUT HEROS BEFORE 12/31/21](#)

Questions about the newsletter?
Send an email to DRSIPolicyUnit@hud.gov

CDBG-DR APPROPRIATION FOR 2020 & 2021 DISASTERS

With the passing of the Continuing Resolution on September 30, 2021, \$5,000,000,000 was made available for activities authorized under the HCDA related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a major disaster that occurred in 2020 or 2021.

The Act requires that no less than \$1,610,000,000 will be allocated for major declared disasters that occurred in 2020 within 30 days of enactment. The Act also provides grantees with flexibilities on the interchangeability of funds; it directs HUD to include an additional amount of 15 percent of any grant for mitigation activities; and it allows a mechanism for grantees to access administrative funds before HUD's certification of financial controls is complete.

In the coming days and month(s), HUD will release more information on its website announcing the grantees receiving CDBG-DR funding and will publish the rules and requirements related to this funding in the **Federal Register**. After the publication of the notice, HUD will offer several training opportunities for both new and experienced grantees.

NEW HEROS REQUIREMENT FOR RROF

All HUD assisted projects are required to undergo an environmental review to evaluate environmental impacts of the federal investment. At the completion of the environmental review, the Responsible Entities and Recipients (as defined in 24 CFR 58.2) are required to complete a Request for Release of Funds (RROF) when requesting the authority to use grant funds. Previously, CDBG-DR and CDBG-MIT grantees were instructed to submit the RROF and supporting documentation via email. As of December 31, 2021, all CDBG-DR and CDBG-MIT grantees will be required to use the HUD Environmental Review Online System (HEROS) to submit the RROF (more information specific to CDBG-DR and CDBG-MIT grantees will be released soon).

HEROS will replace HUD's current paper-based environmental review process with this comprehensive online tool that walks users through the entire environmental review process from beginning to end, including compliance with 17 related environmental laws and authorities. More information about using and accessing HEROS is available [here](#).

CDBG-DR WAIVER HIGHLIGHT: NEW HOUSING CONSTRUCTION

CDBG-DR grantees must identify and address their housing needs in the most impacted and distressed (MID) areas through the rehabilitation, reconstruction, replacement, and new construction of housing.

HUD's **Federal Register** notices typically establish new housing construction as an eligible activity by waiving 42 U.S.C. 5305(a) and 24 CFR 570.207(b)(3) and adopting alternative requirements for construction standards.

Although grantees most often use CDBG-DR funds to rehabilitate damaged homes and rental units, grantees may fund new construction if the activity clearly addresses a disaster-related impact and is located in a disaster-affected area. This impact can be demonstrated by the disaster's overall effect on the quality, availability, and affordability of the housing stock and the resulting inability of that stock to meet post-disaster needs and population demands.



DISASTER RECOVERY TOOLS & TEMPLATES LIBRARY

The recently launched Disaster Recovery Tools and Templates Library is a comprehensive and centralized location where grantees and the public can access model tools, templates, and training materials. The Library primarily includes materials that CDBG-DR and CDBG-MIT technical assistance (TA) providers have created through direct TA engagements with grantees and that grantees have used to implement their programs – including newly published materials that up until now have not been made publicly available.

Each resource in the Library is available to all grantees regardless of whether they are a recipient of HUD direct TA. Grantees can find the resources that they need under different topics and program areas using an enhanced search feature, filtering by resource attributes, or browsing the topic pages. Explore the Library [here](#).



POLICY UNIT: FREQUENTLY ASKED QUESTIONS (FAQS)

1

FAQ: Can CDBG-DR funds be used to finance new housing construction activities by providing assistance to private individuals and entities, including profit making and nonprofit organizations?

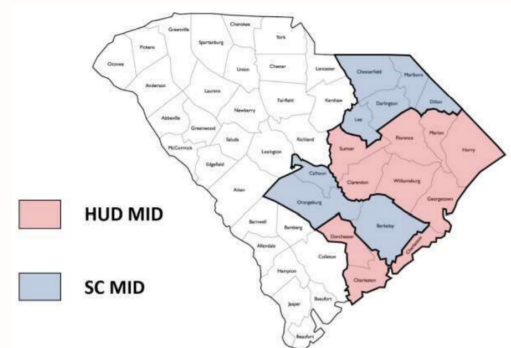
ANSWER: Yes. Since CDBG-DR notices generally waive the ineligibility of new housing construction activities, grantees may carry out new construction of housing activities through employees, contractors, or subrecipients in accordance with 24 CFR 570.200(f). Carrying out activities may include providing direct assistance for new construction of housing that meets requirements of **Federal Register** notices. HUD provides the following guidance to grantees carrying out activities for new construction of housing: grantees may apply the provisions of 24 CFR 570.202 to new construction of housing in the same way that they apply them to housing rehabilitation activities. Therefore, CDBG-DR funds may be used to finance new construction of housing activities through the use of grants, loans, loan guarantees, interest supplements, or by other means, and consistent with 570.202(b)(1), grantees may provide assistance to private individuals and entities to acquire property for new construction of housing and to construct improvements that may be used or sold for residential purposes. All activities for the new construction of housing must meet a national objective.

HUD also advises that the use of funds for new construction must be compliant with applicable federal requirements, including all construction standards and other alternative requirements in **Federal Register** notices that apply to the grant, and relocation and federal accessibility requirements (see section 109 of the Housing and Community Development Act of 1974, 24 CFR 570.602, 24 CFR 570.606, 24 CFR 570.487, 24 CFR 570.614).

2

FAQ: When a presidential major disaster declaration is declared and funds are allocated for the declared disaster, all CDBG-DR funds allocated for the disaster have to be spent in the “most impacted and distressed” (MID) areas. If the MID areas in the **Federal Register** notice only identify specific counties in the presidentially declared area, can a State use its CDBG-DR funds in any county or area that received a disaster declaration if 80 percent of its expenditures are in the HUD-identified MID areas?

ANSWER: Yes, a grantee can choose to use CDBG-DR funds in any county in the presidentially declared area, but this area must be defined by the grantee as MID. HUD splits this requirement up into HUD-identified MID areas (80% of funding) and grantee-identified MID areas (20% of funding). A grantee may determine where to use the 20% of its allocation, but that portion may only be used to address unmet disaster needs in those areas that the grantee determines are “most impacted and distressed” and received a presidential major disaster declaration pursuant to the disaster numbers listed in the **Federal Register** notice. If the grantee believes that additional areas should be included in the HUD-identified MID areas, the grantee may submit that request to HUD using data-driven analysis that illustrates the basis for designating the additional area as “most impacted and distressed” as a result of the qualifying disaster.



South Carolina distinguished HUD- and grantee-identified MID areas in its Action Plan
Image Source: SC Department of Administration



DRSI REGIONAL SPOTLIGHT

NEW YORK CITY REGION (NYC)

The New York City Regional Team, headed by Rebecca Blanco as Assistant Director NYC, is comprised of 4 CPD Specialists, 1 Financial Analyst, and 1 DRGR Specialist. The NYC Regional Team currently works with grantees and CPD Field Offices across Connecticut, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, Vermont, and West Virginia.

CONSTRUCTING RESILIENT AFFORDABLE HOUSING

THE "NEW" MOXEY RIGBY APARTMENT COMPLEX

A model for smarter, more resilient housing development in Freeport, New York

The New York Governor’s Office of Storm Recovery (GOSR) provided \$5.5 million awarded under HUD's National Disaster Resilience (NDR) competition and \$6.6 million in CDBG-DR funds to construct the "new" \$66.1 million Moxey Rigby complex and replace 100 affordable units that were lost to Superstorm Sandy.

The "Old" Moxey Rigby & 10 Feet of Saltwater

Before the completion of the "new" Moxey Rigby project, the original Moxey Rigby apartment complex could be found parallel to its successor in the same Freeport community. The "old" Moxey Rigby was built as a model public housing project in the 1950s and named for Moxey A. Rigby, a Freeport native who championed public housing and served as the first African American judge in Nassau County, NY. While the old brick complex at one time offered 100 public housing units to the local community, it was constructed in a high-risk flood area and was failing to meet many modern standards as it lacked elevators, fire sprinkler systems, and access for disabled residents. Then, in 2012, the Village of Freeport experienced a 10-foot tidal surge from Superstorm Sandy, resulting in widespread flood damage, power outages, and utility and transportation disruptions. Ultimately, the storm inundated the "old" Moxey Rigby complex with saltwater and left the building out of service for three weeks, forcing residents to live with neighbors and families, in shelters, or in their cars. Upon their return, residents faced apartments destroyed by the floodwaters.



The "Old" Moxey Rigby

Image Source: LI Herald



Superstorm Sandy flooding in Freeport, NY

Image Source: New York Daily News

New Housing Construction to Meet Post-Disaster Needs

After Superstorm Sandy, the "old" Moxey Rigby apartment complex was not capable of being rehabilitated due to the complex's outdated structure, the severe flood damage caused by the storm, and its site location in a high-risk flood area. To reduce occurrence and severity of flooding impacts to the residents living in the "old" Moxey Rigby, the Freeport Housing Authority (FHA) proposed replacing its 100 units by constructing a new five-story multifamily apartment complex adjacent to the old site with added resilient features.

\$6.6 million in CDBG-DR funds

\$66.1 million, 101-unit complex

\$5.5 million in NDR funds

To execute the \$66.1 million new housing construction project, State financing was provided by the Governor’s Office of Storm Recovery (GOSR) and the New York State Division of Homes and Community Renewal, and the complex was developed in partnership with the FHA, the Village of Freeport, and Georgica Green Ventures. The GOSR funding included \$5.5 million awarded via the National Disaster Resilience (CDBG-NDR) competition and \$6.6 million in CDBG-DR funds through the Public Housing Assistance Relief Program that addresses unmet residential repair, reconstruction, or resilience needs of Public Housing Agencies throughout New York.



After completion of the project in December 2019, residents of the "old" Moxey Rigby were transferred directly to the new units. At 34,634 square feet and sitting on 2.44 acres, the "new" Moxey Rigby complex is 25% larger than the original and includes 101 units: 10 one-bedroom, 60 two-bedroom, 24 three-bedroom, and 6 four-bedroom rental apartments. Amenities include elevators, laundry facilities, meeting rooms, and recreation areas, which aim to make the complex a hub for healthy, efficient, and sustainable living.



"Old" Moxey Rigby residents were transferred to the new units
Image Source: LI Herald

Building Long-Term Resilience

The new, resilient Moxey Rigby site was built to withstand future flood events by including water backflow prevention, a diesel generator, backup LED lighting, emergency cell phone charging, and stormwater storage. While the "old" and "new" Moxey Rigby sites are both located within the 100-year floodplain, fill was added to the "new" site to bring it to an appropriate grade of approximately four feet above the base flood elevation, allowing for the necessary space to install drainage facilities. The new building is also designed with the ground floor as a parking structure and residential units on the second floor to limit exposure of residents to any potential flood hazards.



The "New" Moxey Rigby
Image Source: FHA

The NEW Moxey Rigby – NYS Leading the Way

