

C.D.R. Digest

OFFICE OF DISASTER RECOVERY (ODR)

The Disaster Recovery and Special Issues Division has officially transitioned to an office and will now be known as the Office of Disaster Recovery (ODR)!

We are excited to continue to share important news on CDBG-DR funds and highlight changes to accelerate recovery.



WHAT'S IN THIS ISSUE:

- Transitioning to an office
- CDBG-DR Updates
- FAQs
- Wildfire recovery and mitigation



The transition to an office will strengthen our operational processes so we can provide better, faster services.

The office continues its mission to help communities recover and advance long-term recovery through three new divisions within ODR - the Policy Division, the Operations Division, and the Grants Management Division.

The Transition

This change strengthens our ability to serve our grantees and other stakeholders. We will have better access and control of resources.

Here's what today's announcement means for you:

- **Benefits to Stakeholders and Grantees.** We expect to expedite many of the services we provide. For example, ODR will be able to accelerate all correspondence, reviews of action plans, and monitoring reports.
- **Regular Course of Business.** Grantees will continue ongoing communication with current points of contact. The Grants Management Division will facilitate all grantee communication through ODR's regional teams and CPD Field Offices. The Policy Division will write Federal Register notices, provide policy guidance, and lead external training. While the Operations Division will manage internal controls and risk management.
- **Our Priorities.** ODR's top priority is to provide quality services and products. We will continue business as usual while better aligning our resources and refining our processes to meet stakeholders' needs.

It is important to note that becoming an office does not mean that CDBG-DR is becoming a program with an annual appropriation. While the Administration supports such an action, Congress would need to vote to authorize the creation of a CDBG-DR program to allow ODR to write regulations and to provide the annual budget to allocate funds.

We look forward to continuing to serve communities impacted by major disasters and who receive CDBG-DR funds.





CDBG-DR Updates

WE WANT YOUR INPUT!

On December 20, HUD published two requests for information seeking public input to more equitably and accurately allocate disaster recovery funds. Please participate by February 21st!

- [Request for Information for HUD's Community Development Block Grant Disaster Recovery \(CDBG-DR\) Rules, Waivers, and Alternative Requirements](#)
- [Request for Information Community Development Block Grant Disaster Recovery \(CDBG-DR\) Formula](#)

SAVE THE DATE!

Please save the date for the 2023 CDBG-DR Problem Solving Clinic. The Clinic will be held April 25-27, 2023 at the [Palmer House Hotel](#) in Chicago, IL. There will be some options for virtual participation. For more information, please visit the [HUD Exchange](#).

NEW PRODUCTS

- [The Consolidated Notice Guidebook](#)
- [CDBG-DR Policy Bulletin 2022-01: Economic Revitalization and Investing in Disaster-Impacted Communities](#)
- [CDBG-DR Policy Bulletin 2022-02: Guidance on the 2019 Duplication of Benefits Notice](#)
- [CDBG-DR FAQs 2022-01: FAQs on Using CDBG-DR Funds for Subsequent Disasters](#)
- [December 2022 OMNI Notice](#)
- [Replacement of the Alternative Requirement on Privately-Owned Utilities at Section III.G.3. of the CDBG-DR Consolidated Notice for Disasters Occurring in 2020 and 2021](#)
- [Allocations for CDBG-DR and Implementation of the CDBG-DR Consolidated Waivers and Alternative Requirements Notice for 2021 Disasters](#)

For questions, please email ODR's Policy Division at ODRPolicyDivision@HUD.gov.

Policy FAQs

1

Q: Does the waiver and alternative requirement described in section IV.E.2.b of the Consolidated Notice prevent CDBG-DR grantees from providing CDBG-DR assistance to households above 120 percent AMI for non-flood related disasters?

A: No. The intention of this alternative requirement is to promote the availability of recovery resources for lower income homeowners who receive flood disaster assistance and live in a floodplain, but who are unlikely to be able to afford flood insurance. This requirement only applies when:

- The household receives flood disaster assistance,
- The combined household income is greater than either 120% AMI or the national median,
- The property was in a floodplain at the time of the disaster, and
- The property owner did not obtain flood insurance, even if they were not required to.

2

Q: Can a CDBG-DR grantee purchase motor vehicles? Can the purchase of motor vehicles be a Program Administration Cost (PAC) or an Activity Delivery Cost (ADC)?

A: In some cases, motor vehicles are an allowed expense. Motor vehicles are classified as "general purpose equipment" under 2 CFR 200.1 and are subject to the CDBG regulations pertaining to "equipment." While the purchase of equipment is typically ineligible, the exception at 24 CFR 570.207(b)(1)(iii) allows the purchase of equipment when it is *"necessary for use by a recipient or subrecipient in the administration of activities assisted with CDBG funds...."* Therefore, the purchase of a motor vehicle can be an eligible PAC or ADC if the vehicle is necessary to carry out an eligible CDBG-DR activity or meets another exception criterion. State grantees may use the entitlement regulations and this FAQ as interpretive guidance.



Recovery & Mitigation Best Practices

CDBG-DR SPOTLIGHTS

In response to extraordinary impacts from disasters, Congress can appropriate Community Development Block Grant-Disaster Recovery (CDBG-DR) funding.

To date, [HUD has allocated \\$96.2 billion](#) in CDBG-DR funds. These funds address unmet needs from disasters, including wildfires, floods, earthquakes, hurricanes, and tornados.

This newsletter series will spotlight a specific disaster type and provide examples of CDBG-DR-funded activities to recover from, and mitigate, those types of disaster impacts.



A wildland fire includes any non-structure fire occurring in vegetation or natural fuels (NWCG, 2022). According to FEMA's [Wildland Urban Interface: A Look at Issues and Resolutions](#), wildfires in the U.S. inflict an economic loss of between \$77.4 to \$378.7 billion annually. This study identifies several challenges and recommendations to combat wildfires in fire-prone communities.

One of the critical recommendations to mitigate wildfires in the future is to ensure communities incorporate wildfire resilience, which may include adopting certain codes and standards.

FEMA also released a "[Roadmap to Federal Resources for Disaster Recovery](#)" to support states, local governments, Tribes, and territories as they navigate the challenges commonly encountered after a disaster. This roadmap describes different federal funding sources available for recovery and mitigation.

CDBG-DR & Wildfires

The wildfire season continues to increase in size, frequency, and severity. According to the [U.S. Forest Service](#), one of the best ways to prevent uncharacteristically severe wildfires is through healthy, resilient landscapes. Additionally, low-and moderate-income (LMI) individuals and local businesses may be less able to prepare for, respond to, or recover from wildfire damage. Therefore, grantees must design resilience actions strategically to decrease the vulnerability of all communities, particularly LMI communities, to wildfires.

The [State of California](#) was awarded \$70,359,459 through the Department's [National Disaster Resilience Competition](#) to reduce risk, provide economic opportunities, and support community resilience. The state is pursuing three activities, one of which includes designing and implementing Community Resilience Centers.

These centers will increase resilience in the community by providing resources and community protection from future fires. Public services will be offered year-round and during an emergency. The program will also promote proactive planning for wildfire resilience by supporting community services, educational programs, and job training. The state estimates that the centers will be completed in June of 2023.

CDBG-DR grantees should consider:

- Implementing zoning changes or wildfire overlay districts to designate high-risk areas.
- Promoting wildfire management of open space and wildland-urban interface boundary zones to separate developed areas from high-hazard areas.
- Addressing fire mitigation through access, signage, fire hydrants, water availability, vegetation management, and special building construction standards.

