|  |
| --- |
| **Addendum Guide for Review of CDBG-Mitigation (MIT) Grantees** |
| **Name of Grantee:**       | **Appropriation(s):**       |
| **Staff Consulted:**      |
| **Name(s) of Reviewer(s):** |       | **Date:** |       |

**NOTE:** As stated in Chapter 2 of the monitoring handbook, an important and fundamental principle of the monitoring process is that HUD is required to make findings when there is evidence that a statute, regulation, or requirement has been violated, but it retains discretion in identifying appropriate corrective action(s) to resolve deficiencies. An equally fundamental principle is that program participants have due process rights to contest findings (24 CFR part 570 subpart O for local governments and 24 CFR 570.495 for state grantees (in some cases, applicable waivers and alternative requirements may subject states to subpart O)).

As provided in Chapter 2, HUD reviewers are advised that certain questions contain, as a parenthetical below the question, statutory or regulatory citations and/or contract/agreement references. A negative response (“No”) by the HUD reviewer to any such question indicates noncompliance that constitutes a “finding.” Including the basis for the requirement enables the entity being monitored to specifically reference the program requirement at issue. That entity is not precluded from self-assessing during the monitoring to determine if it has information or documentation that would cause the HUD reviewer to form a different conclusion.

In this exhibit, most questions that address requirements contain the specific citation for the source of the requirement (specific citation to a section of a statute, regulation, *Federal Register* notice, or grant agreement). Where a specific citation is contained in the question, it may only apply to certain grants; carefully review the cited requirement to determine its applicability.

In other cases, the question generally references the source of the requirement (e.g., applicable *Federal Register* notices or grant agreement) but does not provide a specific citation. This is because statutory requirements, *Federal Register* notices (including waivers and alternative requirements), and grant agreements can vary significantly from appropriation to appropriation, and waivers and alternative requirements may vary from grantee to grantee. When the question contains a general reference to a source, the reviewer is instructed to review the source to confirm that the relevant requirement that relates to the question is contained in the source and applies to the grantee. The reviewer should answer the question based on the requirement that applies to the grantee. If the reviewer answers the question “no” because the grantee did not comply with the requirements in the source that apply to the grantee, the HUD reviewer must make a note of the applicable citation to document the violation that results in a finding of noncompliance.

Questions without a specific citation or a general reference to a controlling document do not address requirements. These questions are included to assist the reviewer in understanding the participant's program more fully and to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised but cannot result in a "finding."

A “Note” included with a question is intended to assist the reviewer with answering the question and is not a statutory or regulatory citation and/or contract/agreement reference that signals that a negative response (“No”) by the HUD reviewer to the question indicates noncompliance that constitutes a “finding.”

**Instructions:** The 6-15 Addendum Guide for Review of CDBG-Mitigation (CDBG-MIT) Grantees differs from other addenda because of the unique purpose and requirements of CDBG-MIT. For instance, all mitigation activities must:

1. Meet the definition of mitigation activities.
2. Address the current and future risks as identified in the grantee’s Mitigation Needs Assessment of most impacted and distressed areas.
3. Be CDBG-eligible activities under title I of the Housing and Community Development Act of 1974 or otherwise eligible pursuant to a waiver or alternative requirement.
4. Meet a national objective, including additional criteria for mitigation activities and Covered Projects.
5. Demonstrate the ability to operate for the useful life of the project.
6. Be consistent with other mitigation activities.

Under CDBG-MIT, there is also a unique national objective “urgent need mitigation” (UNM) that can be used.

This Addendum is to be used as a supplement to the following Chapter 6 Exhibits: *6-1:* *Guide for Review of Overall Management*; 6-2: *Guide for Review of Flood Zone and Floodway Buyouts and Non-Buyout Acquisition*; 6-3: *Review of New Construction of Housing*; *6-4: Review of Infrastructure and Public Facilities; 6-5: Review of Economic Development;* *6-6: Review of Housing Rehabilitation and Reconstruction; and 6-8: Review of Procurement* to monitor activities carried out with CDBG Mitigation (CDBG-MIT) funds. Section D includes questions related to all of the unique mitigation criteria identified above. Therefore, Section D is to be answered for ALL CDBG-MIT activities reviewed in addition to the supplemental questions in Sections E through Section L to monitor mitigation activities.

This Addendum addresses only those additional monitoring criteria specific to CDBG-MIT grantees per the applicable *Federal Register* notice published on August 30, 2019 (84 FR 45838) and January 6, 2021 (86 FR 561). The requirements for CDBG-MIT funds for 2015 – 2017 disasters are found in 84 FR 45838, while 86 FR 561 makes those rules applicable to CDBG-MIT funds for 2018 disasters. For the purpose of monitoring a CDBG-MIT grantee, Chapter 6 Exhibits (6-1 through 6-8) references to “CDBG-DR” requirements should be interpreted as references to “CDBG-MIT”.

**Table of Contents**

[A. Review of Overall Management Of CDBG-MIT Funds 3](#_Toc49415068)

[B. Duplication of Benefits Requirements 8](#_Toc49415069)

[C. Additional Duplication of Benefits Requirements for CDBG-MIT Grantees for Disasters Occuring in 2016 And 2017 11](#_Toc49415070)

[D. All CDBG-MIT Activities 14](#_Toc49415071)

[E. Review Of Flood Zone and Floodway Buyouts and Non-Buyout Acquisitions 16](#_Toc49415072)

[F. Review of New Construction of Housing 16](#_Toc49415073)

[G. Review of Infrastructure 19](#_Toc49415074)

[H. Economic Development 26](#_Toc49415075)

[I. Review of Housing Rehabilitation and Reconstruction 30](#_Toc49415076)

[J. Review of Written Agreements 33](#_Toc49415077)

[K. Review of Procurement 33](#_Toc49415078)

[L. Review of Financial Management 34](#_Toc49415079)

**QUESTIONS**:

# **A. REVIEW OF OVERALL MANAGEMENT OF CDBG-MIT FUNDS**

 (Supplement to Exhibit 6-1)

|  |  |
| --- | --- |
|  | In accordance with the requirement for website management:  |
| 1. Does the grantee have a comprehensive mitigation public website?

The reviewer should select “yes” if all of the sub-questions below are also “yes.” |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Does the grantee’s website have a separate page dedicated to mitigation activities assisted with CDBG-MIT funds?

[84 FR 45845, 45852-45853, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Does the website link to the Grantee’s CDBG-DR website?

[84 FR 45845, 45852-45853, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Does the website include the projection of expenditures and outcomes?

[84 FR 45852-45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. If the grantee awards funds competitively, does the website include the eligibility requirements for such funding, all criteria to be used by the grantee in its selection of applications for funding (including the relative importance of each criterion) and the time frame for consideration of applications?

[84 FR 45845, 45852-45853, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | Does the grantee have written procedures for the website including:  |
| 1. A procedure to post:
* the action plan (including all amendments);
* each QPR within three days of submission to HUD (as created using the DRGR system);
* citizen participation requirements;
* activity/program information for activities described in the action plan, including all contracts and ongoing procurement policies;
* procurement policies and procedures;
* activity/program information for activities described in the action plan;
* status of services or goods currently being procured and details of all contracts (e.g., a summary list of procurements, the phase of the procurement, requirements for proposals, etc..);
* a copy of all executed contracts that will be paid with CDBG-MIT funds, including those procured by the grantee, recipients, or subrecipients?

**NOTE:** The grantee should post only contracts as defined in 2 CFR 200.22. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. The frequency of website updates, which must be no less than monthly?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Is the grantee's mitigation website functioning and following the written procedures?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In accordance with the requirement for website management, does the grantee’s public website include:  |
| 1. Program information available in a form accessible to persons with disabilities and those with limited English proficiency either via its mitigation website or an alternative method?

[84 FR 45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Information accounting for how all grant funds are used and managed/administered?

[84 FR 45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Links to all action plans, action plan amendments, performance reports, CDBG-MIT citizen participation requirements, and activity/program information for activities described in the action plan?

[84 FR 45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Details of all contracts and ongoing procurement policies, including status of services or goods currently being procured (e.g., phase of the procurement, requirements for proposals)?

**NOTE:** The CDBG-MIT notices requirements differ slightly from the corresponding CDBG-DR notices in this section. A CDBG-MIT grantee is required to post all executed contracts and the status of services or goods that are currently being procured, including those procured by the grantee, recipient, or subrecipient. A grantee can do this by providing a summary and using the department Contract Reporting Template but a grantee is not required to use HUD’s Contract Reporting Template for CDBG-MIT. [84 FR 45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Executed CDBG–MIT contracts, including a copy of contracts the grantee has procured directly?

**NOTE 1:** The CDBG-MIT notices requirement differ slightly from the corresponding CDBG-DR notices in this section. A CDBG-MIT grantee is required to post all executed contracts and the status of services or goods that are currently being procured, including those procured by the grantee, recipient, or subrecipient. A grantee can do this by providing a summary and using the department Contract Reporting Template but a grantee is not required to use HUD’s Contract Reporting Template for CDBG-MIT. **NOTE 2:** Grantees should post only those contracts subject to 2 CFR 200.22, or in accordance with the State’s procurement policies. [84 FR 45853 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Does the grantee post their quarterly performance reports (QPRs) to their official website following the frequency required?

**NOTE:** Within 3 days of submission to HUD, each QPR must be posted on the grantee’s official website. In the event the QPR is rejected by HUD, the grantee must post the revised version, as approved by HUD, within 3 days of HUD approval.[84 FR 45854 and 86 FR 566]  |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1. Is the grantee in compliance with the requirement that the aggregate total for administrative and technical assistance expenditures must not exceed 5 percent of the grant amount plus 5 percent of program income generated by the grant?

[84 FR 45855, 86 FR 566, and 24 CFR 570.200(g); See applicable Appropriations Act.] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| Yes | No | N/A |

 |
| 1. For states, is the grantee in compliance with the cap on planning expenditures (15 percent of the grant or $750 million, whichever is less)? For unit of general local government grantees, is the combined expenditure on planning and administrative costs less than 20 percent (administrative costs cannot exceed 5 percent of the grant plus 5 percent of program income, regardless of the planning expenditures)?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| Yes | No | N/A |

 |
| 1. For unit of general local government grantees, is the combined expenditure on planning and administrative costs less than 20 percent (administrative costs cannot exceed 5 percent of the grant plus 5 percent of program income, regardless of the planning expenditures)?

[24 CFR 570.200(g)] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| Yes | No | N/A |

 |
| 1. Are designated administrative funds being used across multiple grants, including the CDBG-MIT grant?

**NOTE:** *The Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Pub. L. 116– 20) approved June 6, 2019, grantees that received funds under Public Laws 114–113, 114– 223, 114–254, 115–31, 115–56, 115–123, and 115–254, or any future act may use eligible administrative funds (up to 5 percent of each grant award plus up to 5 percent of program income generated by the grant) appropriated by these acts without regard to the particular disaster appropriation from which such funds originated).* |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the answer above to 4.d is “yes,” has the grantee instituted polices and procedures to ensure that it will not incur more administrative expenses than are allowable for each CDBG-MIT grant?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Demonstrated it has appropriate financial controls to ensure the amounts of grant administration expenditures for each of the aforementioned grants will not exceed 5 percent of the total grant award (plus 5 percent of program income)?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Reviewed and modified its financial management policies and procedures regarding tracking and accounting of administrative costs, as necessary?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Addressed the adoption of this treatment of administrative costs as applicable portions of its Financial Management and Grant Compliance submission?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Is the grantee adhering to its policies and procedures that were originally submitted to HUD for the grantee’s pre-award certifications (e.g., certification of proficient controls, processes, and procedures) or the policies and procedures, as amended by the grantee in accordance with applicable *Federal Register* notices? **NOTE:** The answers to questions 5.a. and 5.b. below must be “Yes” or “N/A” for the reviewer to select “Yes” here, even if the grantee is adhering to its policies and procedures (as originally submitted or amended). |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee amended any of the policies and procedures originally submitted to HUD for the grantee’s pre-award certifications (e.g., certification of proficient controls, processes, and procedures) before June 27, 2022, did the grantee obtain HUD’s approval (if required by the applicable *Federal Register* notice) of the amended policies and procedures?

**NOTE:** The requirement to seek HUD’s approval to amend policies and procedures was amended by HUD in a *Federal Register* notice published June 21, 2022 at 87 FR 36869, 36873, which became effective June 27, 2022. If the grantee did not amend any of its supporting documentation, including its policies and procedures, after signing the grant agreement, the reviewer must check “N/A”. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. On or after June 27, 2022, did the grantee notify HUD of any substantial changes made to the supporting documentation submitted to support the Secretary’s certification and retain and identify any updates to the supporting documentation in its files, together with any dates of applicability, so that the reviewer is able to determine which policies and procedures were in effect at any point in time?

**NOTE:** If the grantee did not change any of its supporting documentation, including its policies and procedures, after signing the grant agreement, the reviewer must check “N/A.”[84 FR 45863 and 87 FR 36873] |  |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | For Grantees in North and South Carolina only, who received CDBG-MIT funds in response to Hurricane Matthew:  |
|  | 1. Do the grantee’s policies and procedures allow it to use CDBG-MIT funds for the same activities, consistent with the requirements of the CDBG–MIT grant, in the most impacted and distressed areas related to Hurricane Florence?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Is the grantee tracking these expenditures of CDBG-MIT funds in the HUD-identified MID areas for Hurricane Florence to count toward the 50 percent expenditure requirement for HUD-identified MID areas for its CDBG-MIT funds?

[84 FR 45855 and 86 FR 568] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | **Describe Basis for Conclusion:**      |
|  |  |

**B. DUPLICATION OF BENEFITS REQUIREMENTS** (CDBG-MIT DISASTER GRANTEES)

Reviewers should fill out **Section B: Duplication of Benefits Requirements** for all CDBG-MIT grants. Reviewers should continue to **Section C: Additional Duplication of Benefits Requirements for CDBG-MIT Grantees for Disasters Occurring in 2016 and 2017** **ONLY**.

|  |  |
| --- | --- |
|  | All CDBG-MIT activities are subject to the *Federal Register* notice published June 20, 2019 (84 FR 28836)(the “2019 DOB Notice”) in accordance with the *Federal Register* notice (84 FR 45845) |
| 1. Are the grantee’s duplication of benefits (DOB) policies and procedures consistent with the 2019 DOB Notice:
 |
| * 1. Requiring the grantee to conduct an individualized review of each applicant to determine that the amount of assistance will not cause a DOB by exceeding the unmet needs of that applicant?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| * 1. Including the primary considerations that must be part of a DOB analysis when providing CDBG–DR assistance?

For example: * determine an applicant’s total need,
* identify total assistance (all reasonably identifiable financial assistance available to an applicant),
* exclude non-duplicative amounts (amounts for a different purpose, or for the same purposes but a different allowable cost),
* subtract exclusions from total assistance to determine the amount of the DOB, and
* subtract the amount of the DOB from the amount of the total need to determine the maximum amount of the CDBG–DR award (subject to any caps).

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| 1. Do the grantee’s policies and procedures describe how the grantee will consider the most common types of duplicative assistance?

Generally, for adequacy does the grantee check for: |
| * 1. All forms of Insurance?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. Federal Emergency Management Agency (FEMA)?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. Small Business Administration?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. National Flood Insurance Program (NFIP) for flood-related disasters?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. Other federal, state, or local funding?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. Other nonprofit, private sector, or charitable funding?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | Do the grantee’s policies and procedures: |
| 1. Require all assisted households or entities to enter into a signed agreement (e.g., subrogation agreement) to repay any assistance (e.g., unexpected insurance payout) later received for the same purpose as the CDBG disaster recovery funds?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| 1. Establish a method to monitor each applicant’s compliance with the agreement for a reasonable period after project completion (i.e., a time period commensurate with risk)?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | Do the reviewed activity files document: |
| 1. The grantee’s signed agreements between itself and beneficiaries include the following language: “Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729”?

**NOTE:** It is not a requirement for grantees with an award in response to a 2015 or 2016 disaster to include this language in its agreements between itself and its beneficiaries. Therefore, a “No” answer to this question for a 2015 or 2016 disaster cannot result in a finding. However, including the above language is a best practice to prevent fraud related to duplication of benefits.[84 FR 45845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In regard to DOB for activities subject to the 2019 DOB Notice, do reviewed activity files document the following requirements: |
| 1. The grantee determined an applicant’s total need and identified total assistance (all reasonably identifiable financial assistance received by/available to an applicant)?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Sources of assistance, identified in a. above, that are determined to be non-duplicative were excluded from the DOB calculation and the grantee’s records document the basis for the exclusion?

**NOTE:** Non-duplicative means amounts that are either 1.) provided for a different purpose (e.g., for a rehab activity, insurance proceeds for loss of buildings (such as a detached garage) that grantee’s program does not assist); or 2.) assistance provided for the same purpose but different allowable use (e.g., the purpose is housing rehabilitation, the use of the other assistance was roof replacement and the use of the CDBG–DR assistance is rehabilitation of the interior of the house). [84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the applicant had a declined loan, the grantee complied with the requirement that it shall not treat declined subsidized loans (e.g., SBA or FEMA subsidized loans) as a duplication of assistance?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If data available to the grantee show that the applicant received an offer of subsidized loan assistance, but the grantee could not tell from available data that the applicant declined the loan, before excluding the loan as non-duplicative, the grantee obtained a written certification from the applicant that the applicant did not accept the subsidized loan by signing loan documents and did not receive the loan?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the applicant had a cancelled subsidized loan that was excluded as non-duplicative, does the applicant’s file include documentation described in either (a) or (b) below?

**NOTE:** Documentation to prove a loan amount was cancelled includes: (a) A written communication from the lender confirming that the loan has been cancelled and undisbursed amounts are no longer available to the applicant; or (b) a legally binding agreement between the CDBG–DR grantee (or local government or subrecipient administering the CDBG–DR assistance) and the applicant that indicates that the period of availability of the loan has passed and the applicant agrees not to take actions to reinstate the loan or draw any additional undisbursed loan amounts.[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the applicant had a cancelled subsidized loan that was excluded as non-duplicative, the grantee notified the SBA that an applicant had agreed to not take any actions to reinstate the cancelled loan or draw any additional undisbursed loan amounts?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. The grantee subtracted exclusions from total assistance to determine the amount of the DOB?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If a DOB was found, the grantee subtracted the amount of the DOB from the amount of the total need to determine the maximum amount of the CDBG–DR award (subject to any caps)?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That each applicant has signed a subrogation agreement or similar agreement governing recapture of assistance received from another source after the activity is completed?

[84 FR 28838 and 84 FR 4538] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if a DOB occurred after the award of CDBG-DR funds, funds were recaptured in accordance with the subrogation agreement or similar agreement and the grantee’s policies and procedures?

[84 FR 28838, 84 FR 4538, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

# **C. ADDITIONAL DUPLICATION OF BENEFITS REQUIREMENTS FOR CDBG-MIT GRANTEES FOR DISASTERS OCCURING IN 2016 AND 2107**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | This section is for CDBG-MIT grantees for disasters in 2016 and 2017 (it does not apply to 2015 disasters). Some of these questions address DRRA exceptions for undisbursed subsidized loan amounts (i.e., undisbursed SBA loans), and some questions address use of CDBG-DR to reimburse costs paid by subsidized loans. The reviewer should answer “yes” or “no” for relevant questions, and “n/a” for questions that do not apply. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |
|  |  |  |

 |
| 1. Does the subsidized loan meet the requirements for a statutory exception under the Stafford Act (i.e., for a major disaster declared between January 1, 2016 and December 31, 2021, or “DRRA Qualifying Disasters”), and the exclusion was applied before October 5, 2023?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee revised its award to the applicant to make a CDBG-DR grant up to the amount of the undisbursed subsidized loan amount as a result of the DRRA amendments and requirements in the June 20, 2019 DOB notice, was the revised award based on a revised DOB analysis that excludes accepted but undisbursed loan amounts from total assistance when calculating the maximum CDBG–DR award?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee is providing additional CDBG-DR assistance up to the amount of the undisbursed subsidized loan, has the grantee notified the lender and obtained a written agreement from the applicant that the applicant will not make additional draws from the subsidized loan without the grantee’s approval?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee is providing additional CDBG-DR assistance up to the amount of the undisbursed subsidized loan, and if the applicant subsequently draws additional subsidized loan amounts after receiving additional CDBG-DR assistance, do the grantee’s files show that it reviewed and approved the applicant’s subsequent draws to determine whether all Federal assistance was used toward a loss suffered as a result of a major disaster or emergency, as required by the DRRA?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee is provided additional CDBG-DR assistance up to the amount of the undisbursed subsidized loan, was the additional CDBG-DR assistance consistent with the grantee’s approved CDBG-DR action plan, as amended?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee used CDBG–DR for Reimbursement of Costs Paid by Subsidized Loans Following DRRA Qualifying Disasters, do reviewed activity files document that all federal assistance (including CDBG–DR and subsidized loan assistance) is used toward a loss suffered as a result of the major disaster or emergency?

 **NOTE:** The June 20, 2019 DOB notices explain that if the subsidized loan is used to carry out a CDBG–DR eligible activity that addresses a loss suffered as a result of a major disaster or emergency, HUD considers reimbursement of eligible costs paid with that loan to be used toward a loss suffered as a result of the major disaster or emergency. Under the terms of the DRRA amendments to the Stafford Act, if a federal loan is used for a purpose other than disaster losses, the subsidized loan still duplicates other sources provided for the same purpose. [84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee used CDBG–MIT for Reimbursement of Costs Paid by Subsidized Loans Following DRRA Qualifying Disasters, that the use of the funds complied with all grant requirements for reimbursement of costs, which are imposed by *Federal Register* notices that govern CDBG–DR grants?

**NOTE:** Applicable *Federal Regsiter* notices generally incorporate the requirements for reimbursement in CPD Notice 15-07. A finding based on failure to comply with these requirements should cite to the Applicable *Federal Register* notice.[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee used CDBG– MIT for Reimbursement of Costs Paid by Subsidized Loans Following DRRA Qualifying Disasters after the grantee received the applicant’s application and completed an initial DOB analysis, the grantee completed a revised DOB analysis that updated the applicant’s unmet needs and assistance from all sources, and excludes subsidized loans used for disaster losses and other nonduplicative assistance from the total assistance to calculate the revised DOB amount?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee used CDBG–MIT for Reimbursement of Costs Paid by Subsidized Loans Following DRRA Qualifying Disasters, that the reimbursed cost was for an activity that was a CDBG–DR eligible activity on or before June 25, 2019?

**NOTE:** Grantees are prohibited from reimbursing costs that are not otherwise eligible for CDBG–DR assistance, such as compensation for personal property loss or late fees. Payment of interest is not generally an eligible activity, but if permitted by an applicable *Federal Register* notice granting a waiver, grantees may pay interest due at the time of reimbursement for eligible activities (e.g., interest incurred by the applicant for the portion of an SBA loan used for a CDBG–DR eligible activity). [84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee reimbursed costs paid by SBA loans, that SBA was notified and received a joint payment between the applicant and SBA?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee reimbursed costs paid by subsidized loans, the grantee advised the applicant (either collectively or individually) that submitting an application for CDBG–DR reimbursement assistance does not relieve the applicant of a duty to make payments on a subsidized loan, and that until a subsidized loan is satisfied in full, failure to make principal and interest payments when due could result in a referral to collection agencies, reporting to credit bureaus, or other significant consequences?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee reimburses costs paid with SBA loans, the grantee’s action plan (as amended by any substantial action plan amendments) describes the activity and meets the following requirements:
 |  |
| * 1. The needs analysis in the action plan includes an updated unmet housing needs assessment that reflects the remaining total number of housing units with damage?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. The action plan identifies the number of eligible households that remain to be served who have applied for the grantee’s CDBG-DR housing assistance programs and identifies how the grantee shall address all remaining unmet needs of its applicants for housing assistance?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. The action plan shows that it will reimburse costs paid with subsidized loans to LMI applicants before reimbursing applicants with incomes greater than 80 percent of AMI?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. That the action plan shows that the total aggregate amount that the grantee designates for reimbursement of costs paid with subsidized loans to applicants with >80 percent AMI shall not reduce the overall LMI benefit of the grant?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. That the grantee shall only reimburse costs paid with subsidized loans for applicants with incomes >120 percent AMI if HUD has granted a hardship exception?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee reimburses costs paid with SBA loans, the activity files show that the grantee reimbursed costs paid with subsidized loans for all LMI applicants before reimbursing applicants with incomes greater than 80 percent?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee submitted and was approved by HUD to use a hardship exception to reimburse applicants over 120 percent AMI, evidence that the hardship criteria was applied for any applicants over 120 percent AMI?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That if the grantee submitted an action plan amendment to permit reimbursement of costs paid with subsidized loans, within one year of the action plan amendment, the grantee submitted to HUD an assessment and supporting data that provides: (1) The total amount of CDBG–DR funds used for the reimbursement of SBA and other subsidized loans; (2) the total number of households and the number of low-to moderate-income households that have been reimbursed; and (3) the SBA loan number and the FEMA Registrant ID of each individual household that was reimbursed for its SBA loan costs?

[84 FR 28838, 84 FR 45838, and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

# **D. ALL CDBG-MIT ACTIVITIES**

Section D is to be answered for all CDBG-MIT activities reviewed and is to be used in addition to the supplemental questions in Sections E through Section L to monitor mitigation activities. Section D questions are for ALL CDBG-MIT activities and the supplemental questions to Exhibits 6-2 through 6-8 are questions specific to that activity type.

|  |  |
| --- | --- |
|  | In regard to additional requirements, do reviewed activity files document: |
| 1. How the activity meets the definition of a mitigation activity?

**NOTE:** Mitigation activities are defined as those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. [84 FR 45840 and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| 1. How the activity addresses the current and future risks as identified in the grantee’s Mitigation Needs Assessment of most impacted and distressed areas?

[84 FR 45840 and 86 FR 566] |  |
| 1. That activities are CDBG-eligible activities under title I of the Housing and Community Development Act of 1974 (HCDA) or otherwise eligible pursuant to a waiver or alternative requirement?

**AND**[84 FR 45840 and 86 FR 566] |  |
| 1. That the activities meet a national objective, including additional criteria for mitigation activities or Covered Projects?

[84 FR 45840 and 86 FR 566] |  |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In regard to additional criteria applicable to all mitigation activities, do reviewed activity files document: |
| 1. The grantee’s ability to operate the project for the useful life of the project?

**NOTE:** Each grantee must plan for the long-term operation and maintenance of infrastructure and public facility projects funded with CDBG–MIT funds. The grantee must have a plan to fund the long-term operation and maintenance for CDBG–MIT projects. Funding options might include State or local resources, borrowing authority, or retargeting of existing financial resources[84 FR 45856 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  |  |
| **Yes** | **No** |  |
|  |  |  |
|  |  |  |

 |
| 1. Consistency with other mitigation activities?

**NOTE:** The CDBG–MIT activity must be consistent with the other mitigation activities that the grantee will carry out with CDBG–MIT funds in the MID area. To be consistent, the CDBG–MIT activity must not increase the risk of loss of life or property in a way that undermines the benefits from other uses of CDBG–MIT funds in the MID.[84 FR 45856 and 86 FR 566] |

|  |  |
| --- | --- |
| [ ]  | [ ]  |
| **Yes** | **No** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | If the CDBG-MIT activity uses the Urgent Need Mitigation (UNM) national objective, do reviewed activity files document:If the activity does not use UNM, the reviewer can select “N/A” |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That the activity addresses the current and future risks as identified in the grantee’s Mitigation Needs Assessment of most impacted and distressed areas;

**AND** |

|  |  |
| --- | --- |
|  |  |
|  |  |

 |
| 1. A measurable and verifiable reduction in the risk of loss of life and property?

[84 FR 45857 and 86 FR 566] |  |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1. Do the grantee’s policies and procedures clearly prohibit the use of CDBG-MIT funds to reimburse homeowners, businesses or entities (other than grantees, local governments, and subrecipients) for mitigation activities completed prior to the applicability date of the August 30, 2019 notice?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Do the activity files reviewed document that the grantee clearly prohibits the use of CDBG-MIT funds to reimburse homeowners, businesses or entities (other than grantees, local governments, and subrecipients) for mitigation activities completed prior to the applicability date of the August 30, 2019 notice?

[84 FR 45859 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

**E. REVIEW OF FLOOD ZONE AND FLOODWAY BUYOUTS AND NON-BUYOUT ACQUISITIONS**

(Supplement to Exhibit 6-2)

No supplemental questions to Exhibit 6-2

# **F. REVIEW OF NEW CONSTRUCTION OF HOUSING**

(Supplement to Exhibit 6-3)

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1)****,*do the policies and procedures: **NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. Require new housing in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA’s most current flood advisory maps, to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require new housing within a 100-year (or 1 percent annual chance) floodplain:

If the new housing activity is a mixed-use development, reviewer should select “N/A” and answer 16.c.* 1. To be elevated with the lowest floor, including the basement, at least two feet above the base flood elevation?

**OR*** 1. To meet the design flood elevation standards of ASCE–24 if it results in an elevation higher than two feet above base flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require all mixed-use structures with no dwelling units and no residents below two feet above base flood elevation, to be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require new housing to follow State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions a. and b. including elevation and setback, if applicable?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |  |

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1)*,** do activity files document:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. That new housing within a 100-year (or 1 percent annual chance) floodplain is either:

If the new housing activity is a mixed-use development, reviewer should select “N/A” and answer 17.b.* 1. Elevated with the lowest floor, including the basement, at least two feet above the base flood elevation?

**OR*** 1. Meets the design flood elevation standards of ASCE–24 if it results in an elevation higher than two feet above base flood elevation?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That new mixed-use structures with no dwelling units and no residents below two feet above base flood elevation, are elevated up to at least two feet above base flood elevation or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That the new housing follows State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions a. or b., including elevation and setbacks, if applicable?

[83 FR 5861 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |  |

|  |  |
| --- | --- |
|  | In accordance with standards for ***broadband infrastructure*** in housing do the policies and procedures: |
| 1. Require any new construction or substantial rehabilitation of a building with more than four-rental units to include installation of broadband infrastructure, unless one of the following exceptions is documented:
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| * 1. The location of the new construction or substantial rehabilitation made installation of broadband infrastructure infeasible?
 |  |
| * 1. The cost of installing broadband infrastructure would result in a fundamental alteration in program activity or cause an undue financial burden?

**OR** |  |
| * 1. The structure of the housing to be substantially rehabilitated makes installation of broadband was infeasible due to the structure being substantially rehabilitated?
 |  |
|  | **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In accordance with standards for ***broadband infrastructure*** in housing do the activity files reviewed document: |
| 1. Require any new construction of a building with more than four-rental units includes installation of broadband infrastructure, unless one of the following exceptions is documented:

**NOTE:** If the answer to this question is “no,” then the reviewer must make a finding unless either i or ii below is a “yes.”  |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. The location of the new construction installation of broadband infrastructure infeasible?
 |  |
| 1. The cost of installing broadband infrastructure would result in a fundamental alteration in program activity or cause an undue financial burden?

[84 FR 45864 and 86 FR 566] |  |
| **Describe Basis for Conclusion:**      |
|  |  |

|  |  |
| --- | --- |
|  | The *Federal Register* notice published August 30, 2019 requires each grantee to include a description of the grantee’s controls for assuring that construction costs are reasonable and consistent with market costs at the time and place of construction. The description must address controls for housing projects involving eight or more units (whether new construction, rehabilitation, or reconstruction), economic revitalization projects (involving, construction, rehabilitation or reconstruction), and infrastructure projects. |
| 1. Is the grantee adhering to its cost verification procedures as published in its Action Plan?

[84 FR 84845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

# **G. REVIEW OF INFRASTRUCTURE**

(Supplement to Exhibit 6-4)

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1)*,** do the policies and procedures:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. Require activities in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA’s most current flood advisory maps, to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require all nonresidential structures that are not Critical Actions (as defined at 24 CFR 55.2(b)(2)) to be elevated or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain or designed to adapt to, withstand and rapidly recover in a flood or flood event?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require all non-structure infrastructure to be resilient to flooding based on the level established by the vertical flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 500-year (or 0.2 percent annual chance) floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or three feet above the 1 percent annual floodplain?

**NOTE**: Critical actions include activities that create, maintain or extend the useful life of structures or facilities that store flammable or toxic materials or vital records, provide utility or emergency services, or are likely to contain occupants who may not be sufficiently mobile to avoid loss of life or injury during hazardous flood scenarios. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 100-year floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed at least three feet above the 100-year floodplain elevation when the 500-year floodplain or elevation is unavailable?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Document that structures follow State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions b., c., d., and e. including elevation, setbacks, and cumulative substantial damage requirements, if applicable?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1)*,** do the activity files document:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. Require activities in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA’s most current flood advisory maps, to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That all nonresidential structures that are not Critical Actions (as defined at 24 CFR 55.2(b)(2)) are elevated or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain or designed to adapt to, withstand and rapidly recover in a flood or flood event?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That all non-structure infrastructure is resilient to flooding based on the level established by the vertical flood elevation?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 500-year (or 0.2 percent annual chance) floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or three feet above the 1 percent annual floodplain?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 100-year floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed at least three feet above the 100-year floodplain elevation when the 500-year floodplain or elevation is unavailable?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That structures follow State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions b., c., d., and/or e. including elevation, setbacks, and cumulative substantial damage requirements, if applicable?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |  |
| --- | --- | --- |
|  | In regard to additional criteria applicable to Covered Projects funded with CDBG-MIT funds, do reviewed activity files for Covered Projects document: |  |
|  | 1. The long-term efficacy and sustainability of the Covered Project by documenting measurable outcomes or reduction in risk?

**NOTE:** The definition of a Covered Project can be found in the *Federal Register* notices, pages 84 FR 45850-45851 (main), 84 FR 47530 (USVI), and 85 FR 4679 (PR) and other applicable notices as amended. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. How the Covered Project will reflect changing environmental conditions (such as sea level rise or development patterns) with risk management tools, and alter funding sources if necessary?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. That the grantee is following the plan established for the long-term operation and maintenance of the Covered Project, that was included in its action plan?

[84 FR 45857 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. That the Covered Project demonstrably benefits the MID area illustrated through a BCA?

**NOTE:** The benefits of the Covered Project must outweigh the costs of the Covered Project. Benefits outweigh costs if the BCA results in a benefit-to-cost ratio greater than 1.0. Alternatively, for a Covered Project that serves low- and moderate-income persons or other persons that are less able to mitigate risks or respond to and recover from disasters, benefits outweigh costs if the grantee supplements its BCA with a qualitative description of benefits that cannot be quantified but sufficiently demonstrate unique and concrete benefits of the Covered Project for low and moderate-income persons or other persons that are less able to mitigate risks, or respond to and recover from disasters. This qualitative description may include a description of how the Covered Project will provide benefits such as enhancing a community’s economic development potential, improving public health and/or expanding recreational opportunities. BCAs must be completed consistent with the requirements in the *Federal Register* notice published on August 30, 2019 (84 FR 45851).[84 FR 45857 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | **Describe Basis for Conclusion:**      |  |

|  |  |
| --- | --- |
|  | In regard to rehabilitation of ***buildings used for the general conduct of government***, do the policies and procedures: |
| 1. Prohibit the grantee from providing assistance for the rehabilitation of any building used for the general conduct of government?

**NOTE:** Per the Housing and Community Development Act of 1974 (see 42 USC §5305(a)), buildings for the general conduct of government are ineligible for CDBG-MIT funding, unless the restriction is waived. This restriction is **not** waived under the August 30, 2019 *Federal Register* notice. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In accordance with the limitation on use of funds for eminent domain: |
| 1. Has the grantee restricted the use of CDBG-DR funds in support of any Federal, State, or local projects that seek to use the power of eminent domain only when employed for a public use?

**NOTE:** For purposes of this question, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport, highway, utility projects benefiting the general public and subject to regulation and oversight by the government and projects for the removal of an immediate threat to the public health and safety shall be considered a public use for purposes of eminent domain.[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |  |
| --- | --- | --- |
|  | For all CDBG-MIT funded dam or levee activities: |  |
|  | 1. Are all structures entered into the U.S. Army Corps of Engineers National Levee Database or National Inventory of Dams?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Are all subject structures entered into the U.S. Army Corps of Engineers Public Law 84–99 Rehabilitation Program (Rehabilitation Assistance for Non Federal Flood Control Projects)?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Are all subject structures accredited under the FEMA National Flood Insurance Program?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Are the exact locations of all subject structures and the areas served by the same entered into DRGR?

[84 FR 45868] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Has the grantee maintained file documentation demonstrating completion of a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. If the grantee is a local government, is the grantee using the operations and maintenance waiver, that CDBG–MIT local government grantees may use program income generated by CDBG–MIT funds for the repair, operation, and maintenance of publicly owned projects financed with CDBG–MIT funds?

[84 FR 45855 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. If yes to (f) above, does the grantee have policies and procedures to govern the use of those funds in accordance with the waiver?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | **Describe Basis for Conclusion:**      |  |

|  |  |  |
| --- | --- | --- |
|  | Do the grantee’s policies and procedures: |  |
|  | 1. Prohibit the use of CDBG-MIT funds for programs and projects to provide emergency response services?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Allow the use of CDBG-MIT to be used for mitigation activities to enhance the resilience of facilities used to provide emergency response services, provided that such assistance is not used for buildings for the general conduct of government as defined at 24 CFR 570.3?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Do the activity files document:
 |  |
|  | 1. That the grantee did not use CDBG-MIT funds for programs and projects were used to provide emergency response services?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. That the grantee allowed for CDBG-MIT funds to be used for mitigation activities to enhance the resilience of facilities used to provide emergency response services, provided that such assistance is not used for buildings for the general conduct of government as defined at 24 CFR 570.3?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | **Describe Basis for Conclusion:**      |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1. Does the grantee’s policies and procedures clearly prohibit the use of CDBG-MIT funds to assist privately-owned utilities, unless a waiver has been requested and approved by HUD?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | 1. Do the activity files document that the grantee clearly prohibit the use of CDBG-MIT funds to assist privately-owned utilities, unless a waiver has been requested and approved by HUD?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
|  | **Describe Basis for Conclusion:**      |  |

|  |  |
| --- | --- |
|  | In accordance with the Appropriations Acts, recipients of Federal funds that use such funds to supplement Federal assistance provided under sections 402, 403, 404, 406, 407, or 502 of the Stafford Act may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit that is required by the HCD Act. Appropriations Acts beginning with Pub. L. 115-123 also allow such adoption where recipients supplement Federal assistance provided under section 408(c)(4) of the Stafford Act. |
| 1. If the grantee makes the decision to adopt another agency’s environmental review, has the grantee notified HUD in writing of its decision?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the grantee have a copy of the review in its environmental records?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the environmental review cover all project activities funded by the HUD recipient?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | The *Federal Register* notice published August 30, 2019 requires each grantee to include a description of the grantee’s controls for assuring that construction costs are reasonable and consistent with market costs at the time and place of construction. The description must address controls for housing projects involving eight or more units (whether new construction, rehabilitation, or reconstruction), economic revitalization projects (involving, construction, rehabilitation or reconstruction), and infrastructure projects. |
| 1. Is the grantee adhering to its cost verification procedures as published in its Action Plan?

[84 FR 84845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

# **H. ECONOMIC DEVELOPMENT**

(Supplement to Exhibit 6-5)

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1),*** do the policies and procedures:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. Require activities in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA’s most current flood advisory maps, to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require mixed-use structures with no dwelling units and no residents below two feet above base flood elevation to be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require all non-residential structures that are not Critical Actions (as defined at 24 CFR 55.2(b)(2)) to be elevated or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 500-year (or 0.2 percent annual chance) floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) to be elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or three feet above the 1 percent annual floodplain?

**NOTE**: Critical actions include activities that create, maintain or extend the useful life of structures or facilities that store flammable or toxic materials or vital records, provide utility or emergency services, or are likely to contain occupants who may not be sufficiently mobile to avoid loss of life or injury during hazardous flood scenarios. |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 100-year floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) to be elevated or floodproofed at least three feet above the 100-year floodplain elevation when the 500-year floodplain or elevation is unavailable?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require structures to follow State, local, and tribal codes and standards for floodplain management that exceed the requirements in 31.b, 31.c, 31.d, and/or 31.e including elevation, setbacks, and cumulative substantial damage requirements, if applicable?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1),*** do the activity files document:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. That mixed-use structures with no dwelling units and no residents below two feet above base flood elevation, are elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That all nonresidential structures that are not Critical Actions (as defined at 24 CFR 55.2(b)(2)) is elevated or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 500-year (or 0.2 percent annual chance) floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or three feet above the 1 percent annual floodplain?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That a structure (i.e. walled or roofed buildings, including mobile homes and gas or liquid storage tanks) or facility in the 100-year floodplain under a Critical Action (as defined at 24 CFR 55.2(b)(3)) is elevated or floodproofed at least three feet above the 100-year floodplain elevation when the 500-year floodplain or elevation is unavailable?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That structures follow State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions 32.a, 32.b, 32.c, and/or 32.d including elevation, setbacks, and cumulative substantial damage requirements, if applicable?

[84 FR 45868 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In regard to requirements on funding ***for-profit entities*** for an economic development activity, as applicable, do the policies and procedures require: |
| 1. The grantee to evaluate and select economic development projects under section 105(a)(17) in accordance with guidelines developed by HUD pursuant to section 105(e)(2) for evaluating and selecting economic development projects?

[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. The grantee to use the underwriting guidelines in Appendix A to 24 CFR part 570 if they are using grant funds to provide assistance to a for-profit entity for an economic development project under section 105(a)(17) of the HCDA?

[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | In regard to requirements on ***business*** ***assistance***, as applicable, do the policies and procedures require: |
| 1. The grantee to prioritize assisting businesses that meet the definition of a small business as defined by SBA at 13 CFR part 121 or, for businesses engaged in ‘‘farming operations’’ as defined at 7 CFR 1400.3, and that meet the United States Department of Agriculture Farm Service Agency (FSA), criteria that are described at 7 CFR 1400.500, which are used by the FSA to determine eligibility for certain assistance programs.

[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In regard to requirements on ***revolving loan funds***, as applicable, do the policies and procedures: |
| 1. Identify specific activities that the grantee will fund with the revolving loan funds and are the activities funded from the revolving fund account similar to the identified activities in the policies and procedures?

[84 FR 45859 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require the grantee to substantially disburse the revolving fund prior to drawing funds from the U.S. Treasury for payments that could be funded from the revolving fund?

[84 FR 45859 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | Do the grantee’s files document compliance with Section 3 in regard to: |
| Define a Section 3 resident as: (1) a public housing resident; or (2) an individual who resides in the metropolitan area or nonmetropolitan county in which the Section 3 covered assistance is expended, and who is (i) a low-income person or (ii) a very low-income person? **NOTE 1:** Grantees are authorized to determine that an individual is eligible to be considered a Section 3 resident if the annual wages of the person are at, or under, the HUD-established income limit for a one-person family.**NOTE 2:** The reviewer should note that Section 3 rules may change. If the rules change after publication of this document, the reviewer should not use this question.  [24 CFR part 135; 84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1. Do the grantee’s policies and procedures illustrate how it is prioritizing assisting businesses engaged in “farming operations” as defined at 7 CFR 1400.3, and that meet the United States Department of Agriculture Farm Service Agency (FSA), criteria that are described at 7 CFR 1400.500, which are used by the FSA to determine eligibility for certain assistance programs?

[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If yes, has the grantee pursued sources of assistance other than CDBG-MIT funds to address needs arising from crop loss or other agricultural losses attributable to the disaster?

[84 FR 45869 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusions:**      |
|  |

|  |  |
| --- | --- |
|  | In accordance with the Appropriations Acts, recipients of Federal funds that use such funds to supplement Federal assistance provided under sections 402, 403, 404, 406, 407, or 502 of the Stafford Act may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit that is required by the HCD Act. Appropriations Acts beginning with Pub. L. 115-123 also allow such adoption where recipients supplement Federal assistance provided under section 408(c)(4) of the Stafford Act.  |
| 1. If the grantee makes the decision to adopt another agency’s environmental review, has the grantee notified HUD in writing of its decision?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the grantee have a copy of the review in its environmental records?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the environmental review cover all project activities funded by the HUD recipient?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | The *Federal Register* notice published August 30, 2019 requires each grantee to include a description of the grantee’s controls for assuring that construction costs are reasonable and consistent with market costs at the time and place of construction. The description must address controls for housing projects involving eight or more units (whether new construction, rehabilitation, or reconstruction), economic revitalization projects (involving, construction, rehabilitation or reconstruction), and infrastructure projects. |
| 1. Is the grantee adhering to its cost verification procedures as published in its Action Plan?

[84 FR 84845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

# **I. REVIEW OF HOUSING REHABILITATION AND RECONSTRUCTION**

 (Supplement to Exhibit 6-6)

|  |  |
| --- | --- |
|  | In regard to activities in ***floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1),*** do the policies and procedures:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. Require activities in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100-year floodplain) in FEMA’s most current flood advisory maps, to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Prohibit assistance for the rehabilitation or reconstruction of a house, where:
2. the combined household income is greater than 120 percent AMI or the national median,
3. the property was located in a floodplain at the time of the disaster, and
4. the property owner did not maintain flood insurance on the damaged property?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require housing receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) in a 100-year (or 1 percent annual chance) floodplain to be elevated with the lowest floor, including the basement, at least two feet above the base flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require all mixed-use structures receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) with no dwelling units and no residents below two feet above base flood elevation, to be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. Require housing receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) to follow applicable State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions c. and d., including elevation, setbacks, and cumulative substantial damage requirements?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In regard to rehabilitation or reconstruction assistance in a floodplain, do the activity files document that the grantee did not provide assistance for the rehabilitation or reconstruction of a house, where:1. the combined household income is greater than 120 percent AMI or the national median,
2. the property was located in a floodplain at the time of the disaster, and
3. the property owner did not maintain flood insurance on the damaged property?

[84 FR 45867 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In regard to ***activities in floodplains, flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2(b)(1)***, do the activity files document:**NOTE**: If any of the answers below is “no,” the reviewer should consult with its regional HUD Environmental Officer to determine the need for a program review and/or monitoring. |
| 1. That housing receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) within a 100-year (or 1 percent annual chance) floodplain:

**NOTE**: If the housing is in a mixed-use development, the reviewer should select “N/A” and answer b. below.1. Is elevated with the lowest floor, including the basement, at least two feet above the base flood elevation?

**OR**1. Meets the design flood elevation standards of ASCE–24 and results in an elevation higher than two feet above base flood elevation?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That mixed-use structures receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) with no dwelling units and no residents below two feet above base flood elevation, are elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
|   | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. That housing receiving assistance for repair of substantial damage, or substantial improvements (as defined at 24 CFR 55.2(b)(10)) follows State, local, and tribal codes and standards for floodplain management requirements that exceed the elevation and floodproofing standards in questions a. and/or b. including elevation, setbacks, and cumulative substantial damage requirements, if applicable?

[84 FR 45864 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |

|  |  |
| --- | --- |
|  | In accordance with the Appropriations Acts, recipients of Federal funds that use such funds to supplement Federal assistance provided under sections 402, 403, 404, 406, 407, or 502 of the Stafford Act may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit that is required by the HCD Act. Appropriations Acts beginning with Pub. L. 115-123 also allow such adoption where recipients supplement Federal assistance provided under section 408(c)(4) of the Stafford Act. |
| 1. If the grantee makes the decision to adopt another agency’s environmental review, has the grantee notified HUD in writing of its decision?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the grantee have a copy of the review in its environmental records?

[84 FR 45860 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| 1. If the grantee has adopted another Federal agency’s environmental review, does the environmental review cover all project activities funded by the HUD recipient?
 |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | The *Federal Register* notice published August 30, 2019 requires each grantee to include a description of the grantee’s controls for assuring that construction costs are reasonable and consistent with market costs at the time and place of construction. The description must address controls for housing projects involving eight or more units (whether new construction, rehabilitation, or reconstruction), economic revitalization projects (involving, construction, rehabilitation or reconstruction), and infrastructure projects. |
| 1. Is the grantee adhering to its cost verification procedures as published in its Action Plan?

[84 FR 84845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

# **J. REVIEW OF WRITTEN AGREEMENTS**

(Supplement to Exhibit 6-7)

No supplemental questions to Exhibit 6-7

# **K. REVIEW OF PROCUREMENT**

(Supplement to Exhibit 6-8)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In each reviewed contract, has the grantee incorporated performance requirements and liquidated damages? **NOTE:** Contracts that describe work performed by general management consulting services need not adhere to this requirement.[83 FR 45862 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | If the grantee has procured support services, does the grantee retain inherently governmental responsibilities related to management of the grant (such as oversight, policy development, monitoring, internal auditing, and financial management)?**NOTE:** Grantees may use contract staff to supplement, but not replace, existing governmental functions for oversight, policy development, monitoring, internal audit and financial management.[83 FR 45862 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

|  |  |
| --- | --- |
|  | The *Federal Register* notice published August 30, 2019 requires each grantee to include a description of the grantee’s controls for assuring that construction costs are reasonable and consistent with market costs at the time and place of construction. The description must address controls for housing projects involving eight or more units (whether new construction, rehabilitation, or reconstruction), economic revitalization projects (involving, construction, rehabilitation or reconstruction), and infrastructure projects. |
| 1. Is the grantee adhering to its cost verification procedures as published in its Action Plan?

[84 FR 84845 and 86 FR 566] |

|  |  |  |
| --- | --- | --- |
| [ ]  | [ ]  | [ ]  |
| **Yes** | **No** | **N/A** |

 |
| **Describe Basis for Conclusion:**      |
|  |

# **L. REVIEW OF FINANCIAL MANAGEMENT**

(Supplement to Exhibit 34-1 and 34-2)

Supplemental questions to Exhibit 34-1 and 34-2 for disaster recovery and mitigation can be found in Exhibit 34-1a and 34-2a.