

## EXECUTIVE SUMMARY

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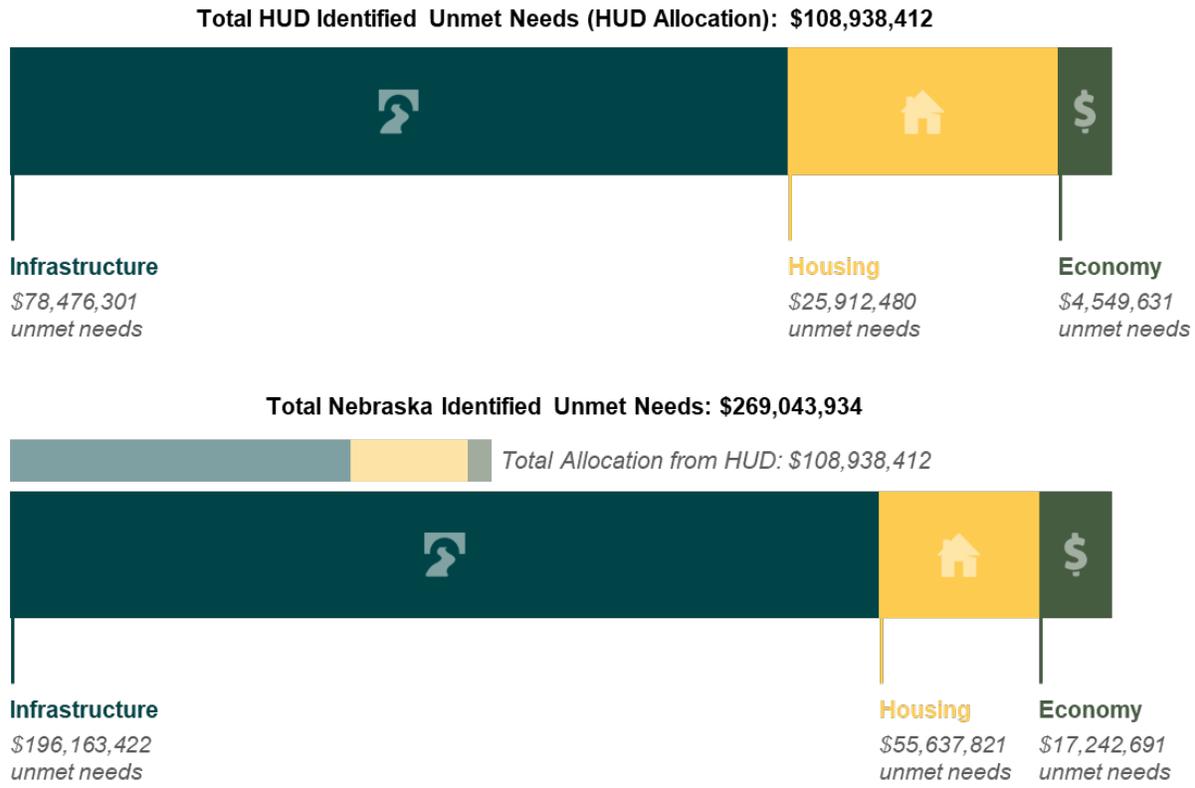
In early 2019, the State of Nebraska suffered record-breaking damage from severe winter weather, straight-line winds, and its worst flooding event in 50 years, leading to a federal major disaster declaration (DR-4420) under the Stafford Act. Damage from DR-4420 was widespread, leading to disaster declarations in 84 of the State's 93 counties (and four tribal areas), with the worst damage located in the eastern part of the state.

To support long-term recovery, the State will receive a \$108,938,000 grant through the United States Department of Housing and Urban Development (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) program. HUD requires CDBG-DR grantees to submit an Action Plan describing its unmet needs, the programs that will be implemented to address those unmet needs, the method of distribution across those programs, and how the programs and activities will meet the requirements of HUD. As the administrator of these funds, the Nebraska Department of Economic Development (DED), on behalf of the State of Nebraska (grantee), will submit this Action Plan to HUD pursuant to these requirements.

## UNMET NEEDS ASSESSMENT

Unmet needs, as defined by HUD, are needs that are not covered by other funding sources and can be covered by CDBG-DR funds. This Action Plan includes an Unmet Needs Assessment (UNA) that analyzes the impacts of DR-4420 and unmet needs related to housing, infrastructure, and the economy. Figure 0-1 illustrates the unmet needs calculated by HUD for this allocation. HUD estimated a total of \$108,938,412 in unmet needs, including \$78,476,301 in infrastructure, \$25,912,480 in housing, and \$4,549,631 for economic recovery. This Action Plan utilizes more current and comprehensive data to estimate unmet needs. As a result, we estimate a total of \$269,043,934 in unmet needs, including \$196,163,422 in infrastructure, \$55,637,821 in housing, and \$17,242,691 million in economic recovery needs (see Figure 0-1).

Figure 0-1: HUD and Nebraska Identified Unmet Needs



## PROGRAM DESIGN

Nebraska will implement three programs to address its unmet needs, as summarized in Table 0-1 below. For infrastructure, the State will implement an Infrastructure Match Program to meet the local match requirement for the Federal Emergency Management Agency (FEMA) Public Assistance (PA) and Hazard Mitigation Grant (HMGP) programs. As discussed in the *Foreword* (located in the next section of the document), the economic and fiscal crisis brought on by Coronavirus Disease of 2019 (COVID-19) increases the challenge for local governments to meet match requirements. This means that projects eligible for funding under PA and HMGP may not be feasible without match resources from CDBG-DR. For Housing, Nebraska will implement two programs designed to increase the supply of affordable housing and support low- and moderate-income households with home purchases. These programs will be augmented with additional support from state initiatives as well as the annual CDBG and Home Investment Partnerships Program (HOME) programs for home repairs. Unmet economic recovery needs will be met with other resources and, as appropriate coordinated with resources related to COVID-19 recovery.

Table 0-1: Program Design

Program	Name	Description
Infrastructure Programs	Infrastructure Match Program	This program will utilize CDBG-DR funding to alleviate the burden for local communities in meeting the local match requirements for the PA program and HMGP in the aftermath of the 2019 disaster.  <b>PA Funding Allocation: \$49,778,602 (45.7%)</b> <b>HMGP Funding Allocation: \$13,712,498 (12.6%)</b>
Housing Programs	Affordable Housing Construction Program	This program is intended to increase affordable housing supply in flood-impacted areas. The program will be administered by DED and be delivered between two applications. The first application will be in partnership with the Nebraska Investment Finance Authority (NIFA), where Low Income Housing Tax Credits (LIHTC) and Collaborative Resources Allocation for Nebraska (CRANE) Program funding will be leveraged. The second application will be through DED directly, where LIHTC is not a funding source.  <b>Funding Allocation: \$26,000,000 (23.9%)</b>
	Homeowner Assistance Program	This program will utilize CDBG-DR funding to provide grants to local governments and non-profit organizations to provide housing counseling, training, and homebuyer down payment and closing cost assistance. The program will also provide forgivable loans to LMI homeowners who lost their homes in the disaster and have insufficient funds from other sources to afford another moderately priced home.  <b>Funding Allocation: \$11,000,000 (10.1%)</b>
Planning Programs	Risk Awareness Planning Program	This program will utilize CDBG-DR funding to reduce risk to private levee failure. The program will be administered by DED in partnership with the Nebraska Department of Natural Resources (DNR).  <b>Funding Allocation: \$750,000 (0.8%)</b>
	Housing Resilience Planning Program	This program will utilize CDBG-DR funding to support local jurisdictions and economic development districts in developing plans for housing recovery, resilience and affordability. The plans will support communities in identifying and leveraging both CDBG-DR and other resources and strategies for housing recovery, resilience, and affordability.  <b>Funding Allocation: \$2,250,000 (2.2%)</b>
Other	Program Administration	Activities to support the administration of CDBG-DR funds.  <b>Funding Allocation: \$5,446,900 (5.0%)</b>
<b>Total CDBG-DR Program Funding Allocation</b>		<b>\$108,938,000</b>

## METHOD OF DISTRIBUTION

As illustrated below, Nebraska will allocate \$63.5 million of CDBG-DR funding for infrastructure through the Infrastructure Match program, and \$37 million for housing through the Homeowner Assistance and Affordable Housing Construction programs. The remainder of the grant will be allocated for administration and planning activities related to housing recovery and risk communication. As required by HUD, 80% of funds will be expended in the HUD-identified Most Impacted and Distressed (MID) communities, Sarpy, Dodge, and Douglas counties. Seventy percent of funds will benefit low- and moderate-income (LMI) households, as required by HUD.

Figure 0-2: Method of Distribution

