

# Community Development Block Grant - Disaster Recovery Program for DR-4420

## Focus Group: Session 1

**Infrastructure Match  
Program**

*January 20, 2022*

**NEBRASKA**

Good Life. Great Strength.

# Zoom Overview



Utilize the **chat** during the conversation.



You will be **muted** at the beginning of the meeting. Please **unmute** yourself to ask questions and provide feedback during the discussion.



We are available via email at **[ded.cdbgdr@nebraska.gov](mailto:ded.cdbgdr@nebraska.gov)** for any additional thoughts or feedback.



# INTRODUCTION

INFRASTRUCTURE MATCH PROGRAM

NEXT STEPS

# Introductions

**Infrastructure Lead:**

**Aaron Rozanski**

*Infrastructure Program Manager*

**Nebraska Department of  
Economic Development (DED)  
CDBG-DR Staff:**

**Jenny B. Mason**

*Disaster Recovery Director*

**Mackenzie Martin Waldron**

*Disaster Recovery Manager*

**Christina Zink**

*Housing Program Manager*

**Aaron Boucher**

*Community Development Specialist*

**Susan Nickerson**

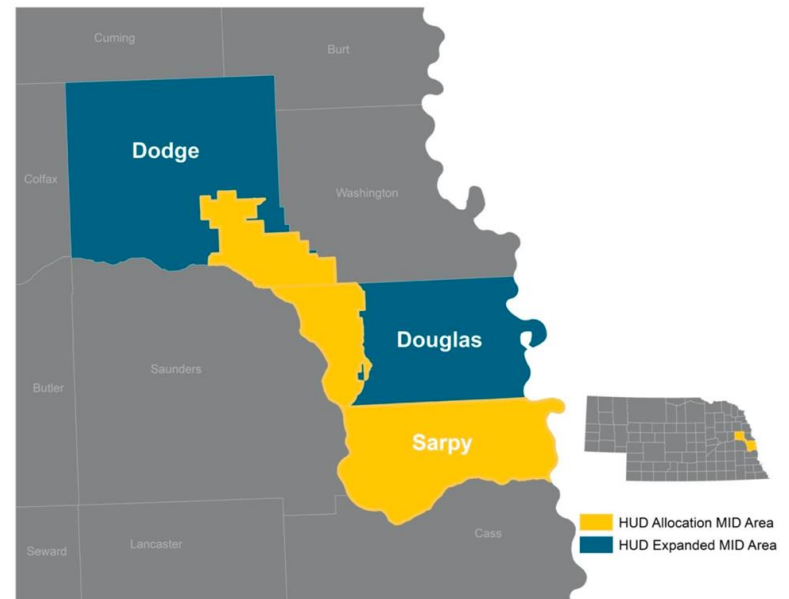
*Disaster Recovery Coordinator*

# Meeting Objectives

- **Describe** the purpose and structure of DED's Infrastructure Match Program.
- **Provide** details regarding how Subrecipients will be selected to receive funds, including eligibility requirements and the Notice of Intent (NOI) process.
- **Elicit** feedback, questions, and discussion from participants.
- **Incorporate** focus group outcomes and feedback into program implementation and design.

# Introduction to CDBG-DR

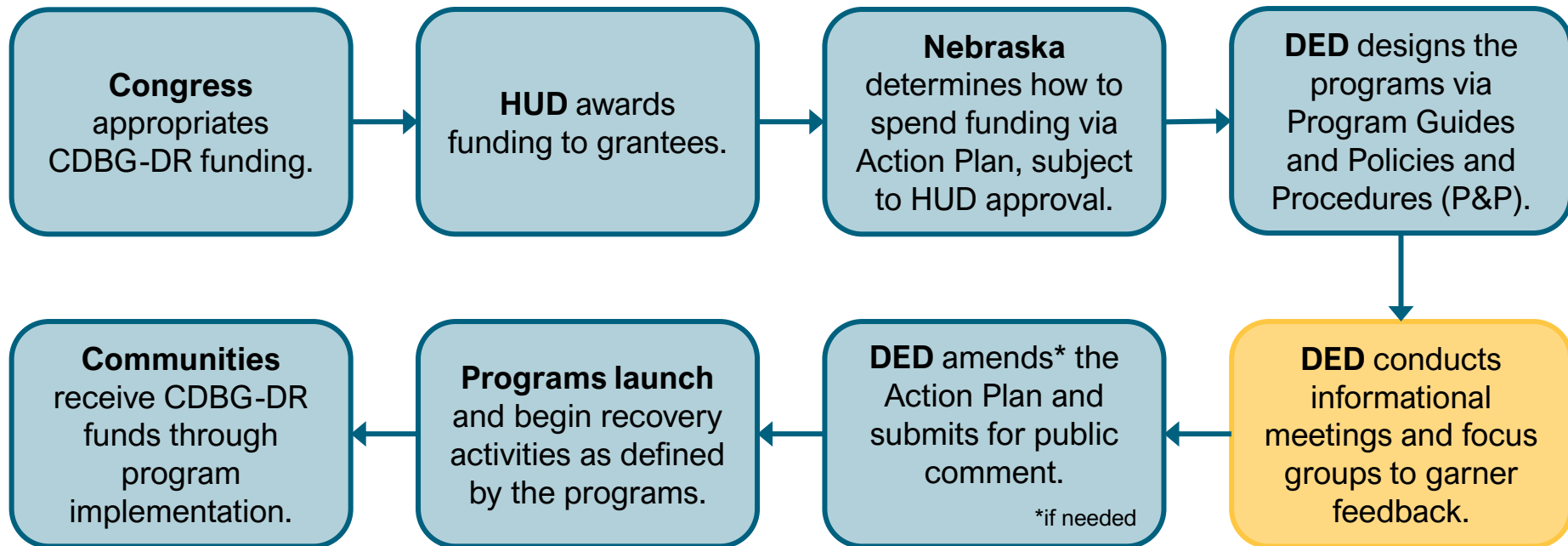
- The Nebraska Department of Economic Development (DED) manages the CDBG-DR Program for the State of Nebraska.
- Funds must prioritize spending in HUD-defined Most Impacted and Distressed (MID) areas and for Low-and Moderate-Income (LMI) populations.
  - 80% of funds must be spent in the HUD-defined MID area, which includes Dodge, Douglas, and Sarpy counties.
  - 70% of funds must be used for activities that benefit LMI populations.



# Nebraska's Commitment to the Community

The State of Nebraska enforces conduct of the CDBG-DR program **to ensure that no person is excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity** because of their age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability, or marital status.

# How Does the State Access CDBG-DR Funds?





# Focus Group Methodology

## CDBG-DR FOCUS GROUPS

**INFRASTRUCTURE  
PROGRAM  
FOCUS GROUPS**

**HOUSING PROGRAMS  
FOCUS GROUPS**

**PLANNING  
PROGRAMS  
FOCUS GROUPS**

THE CDBG-DR FOCUS GROUP CATEGORIES WILL MAINTAIN A CONSISTENT SEQUENCE OF TOPICS

**PROGRAM  
DEVELOPMENT  
FOCUS GROUPS**

**PROGRAM  
PILOT  
FOCUS GROUPS**

**PROGRAM  
EVALUATION  
FOCUS GROUPS**



INTRODUCTION

**INFRASTRUCTURE MATCH PROGRAM**

NEXT STEPS

# Infrastructure Match Program Overview

- FEMA provides funding for disaster recovery.
  - **Public Assistance (PA)** provides funding to repair or rebuild infrastructure. FEMA funds 90% of the project cost and local jurisdictions are responsible for the remaining 10%.
  - **FEMA Hazard Mitigation Grant Program (HMGP)** provides funding for projects that mitigate risks from future disasters. FEMA funds 75% of the project cost and local jurisdictions are responsible for the remaining 25%.

**The Infrastructure Match Program provides funding to supplement the local cost share of these programs.**

# Infrastructure Match Program Roadmap



**Phase 1: Identify FEMA-obligated PA and HMGP Projects**



**Phase 2: Preliminary Project Analysis**



**Phase 3: Notice Of Intent (NOI) Pre-Application and Detailed Project Vetting**



**Phase 4: Subrecipient Selection And Setup**



**Phase 5: Subrecipient Payment**



**Phase 6: Reconciliation And Closeout**

# Identify FEMA Obligated PA and HMGP Projects: Roadmap



Identifying FEMA Obligated PA and HMGP Projects



Eligibility Criteria

# FEMA Obligated Projects: Identifying FEMA Obligated Projects

## FEMA-PA Projects

- Applicants submit a Project Worksheet (PW) through FEMA's Grants Portal.
- All projects are reviewed, approved, and obligated by FEMA.
- FEMA will obligate funds to a PW once it has been identified as in compliance with the program(s).
- DED will work with NEMA to obtain on-going project status updates from the Emergency Management Mission Integrated Environment (EMMIE) system
- EMMIE is the web-based platform that manages PA grants in an electronic environment. The system allows both Applicants and NEMA to electronically report, review and monitor projects.

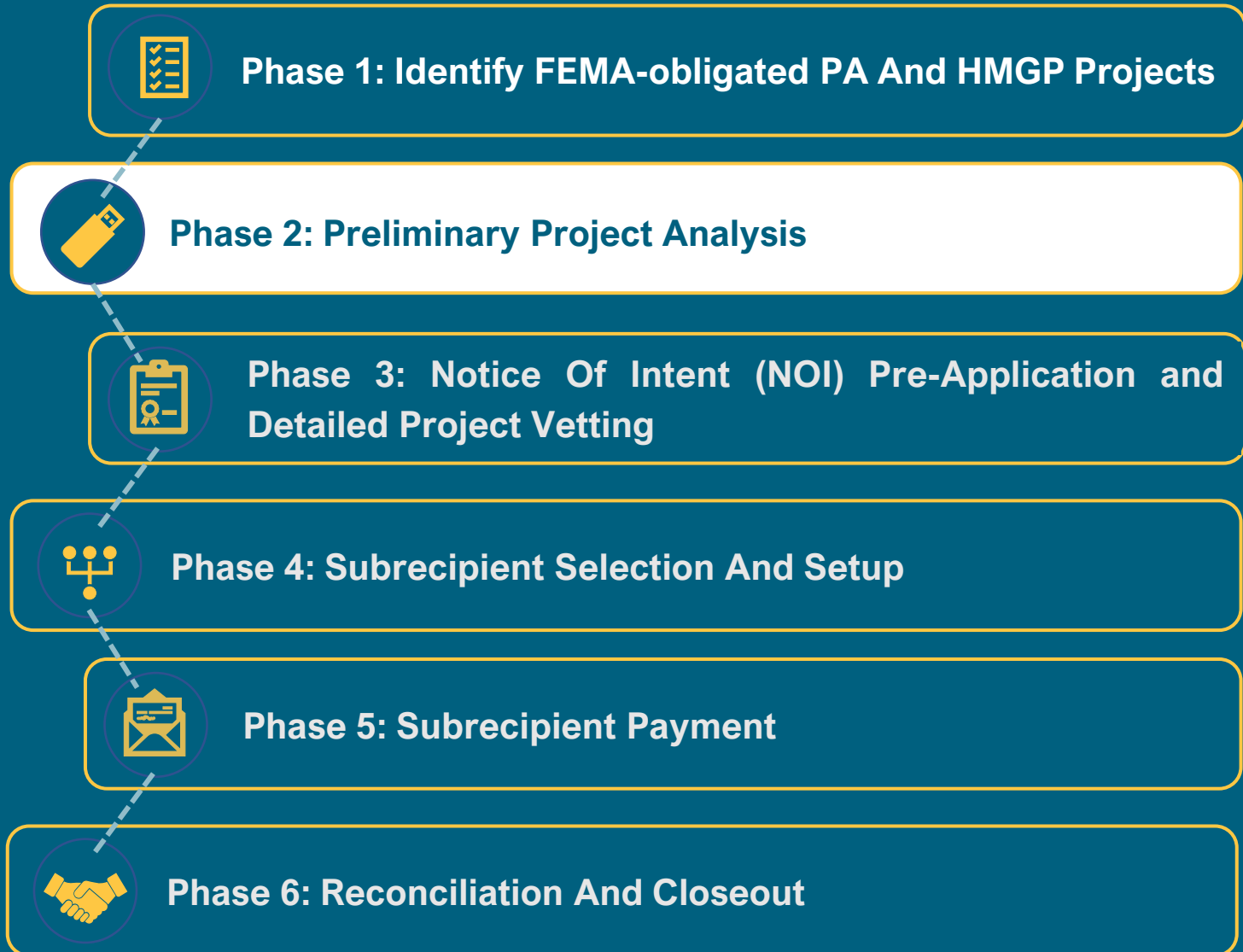
## FEMA-HMGP Projects

- DED will work with NEMA's Hazard Mitigation Office to obtain Applicants HMGP Sub-applications for review.

# FEMA Obligated Projects: Eligibility Criteria

- Criteria for identifying match projects will focus on:
  - LMI populations;
  - Location in the HUD-defined MID area; and
  - Project Size.
- DED will use an initial analysis of completed vs. non-completed projects to inform specific requirements.
- DED has allocated up to **\$63,491,100** for the Infrastructure Match Program, including:
  - **\$49,778,602** for FEMA-PA; and
  - **\$13,712,498** for HMGP.
- The maximum award for any individual project is \$10,000,000.

# Infrastructure Match Program Roadmap





# Preliminary Project Analysis: Roadmap



**Low- and Moderate-Income Persons**



**Completed vs. Non-Completed Projects**

# Preliminary Project Analysis: PA and HMGP Projects

- DED will conduct a preliminary project analysis of PA and HMGP Projects to confirm they meet the following:

## **Benefiting Low- and Moderate-Income (LMI) persons:**

- 70% of total CDBG-DR funding must go to projects that benefit LMI persons.

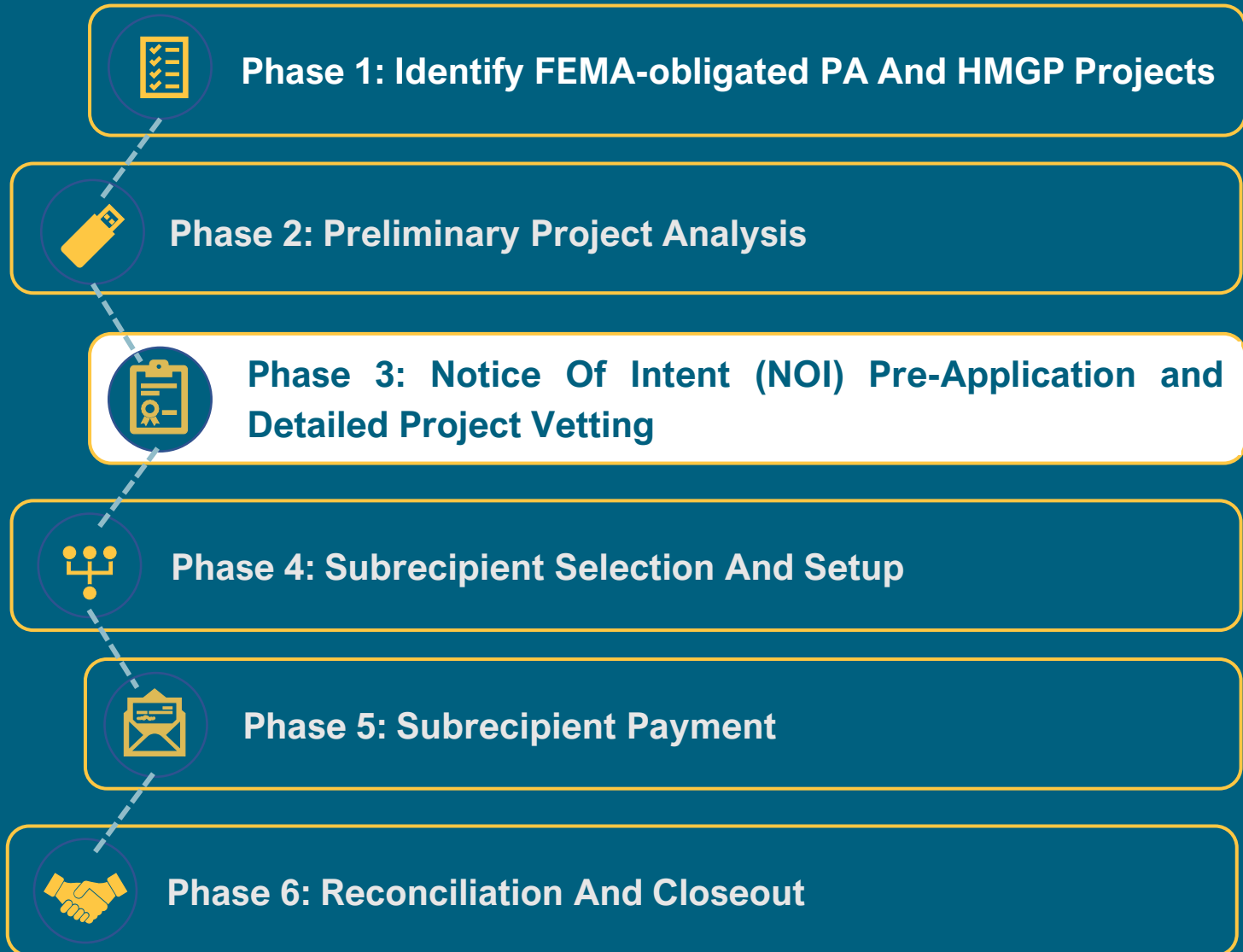
## **Completed vs. Non-Completed:**

- Preliminary project analysis will include an initial analysis of completed vs. non-completed projects which will inform specific requirements.



# **PHASES 1 & 2: BREAKOUT DISCUSSION**

# Infrastructure Match Program Roadmap



# NOI Pre-Application and Detailed Project Vetting: Roadmap



# NOI Pre-Application and Detailed Project Vetting: State Issued NOI Pre-Application

- The State will identify specific PA/HMGP projects as potentially eligible to receive CDBG-DR match funds.
- An NOI Letter will be issued to potential Subrecipients to review a Pre-Application.
- Interested entities should submit the Pre-Application, filling it out in its entirety to DED. **This is simply the first step and does not constitute an application.**
- DED will release information about the application process to those deemed eligible following submission of the Pre-Application.

# NOI Pre-Application and Detailed Project Vetting: Detailed Project Vetting

Following the Pre-Application review, DED will conduct a detailed eligibility review using the Detailed Fundability Checklist. This checklist includes, but is not limited to, the following reviews:

**Federal and Cross-Cutting Requirements (e.g., Section 3, environmental review)**

**Match Share Amount (e.g., percent of local match aligns with DED's PW Drawdown Report)**

# Detailed Project Vetting: Procurement Requirements

Applicable Federal Procurement Standards	
Topic	Description
<b>Cost</b>	Full and open competition and evaluation of the cost for procurement for both professional services and construction.
<b>Assurances</b>	CDBG-DR assurances must be included in all RFPs, RFQs, and contracts.
<b>Request for Proposal (RFP) or Request for Quote (RFQ)</b>	RFPs or RFQs must be competitive and not contain limiting criteria, e.g., “20 years of experience” or “must have done previous work within the city.”
<b>Independent Cost Estimate (ICE)</b>	ICE must be performed prior to the procurement and be on file to document the cost for the services are reasonable.
<b>Provisions</b>	CDBG-DR-funded contracts must also include certain provisions, including the Period of Performance (POP), performance requirements, and liquidated damages provisions.



# Detailed Project Vetting: Environmental Review

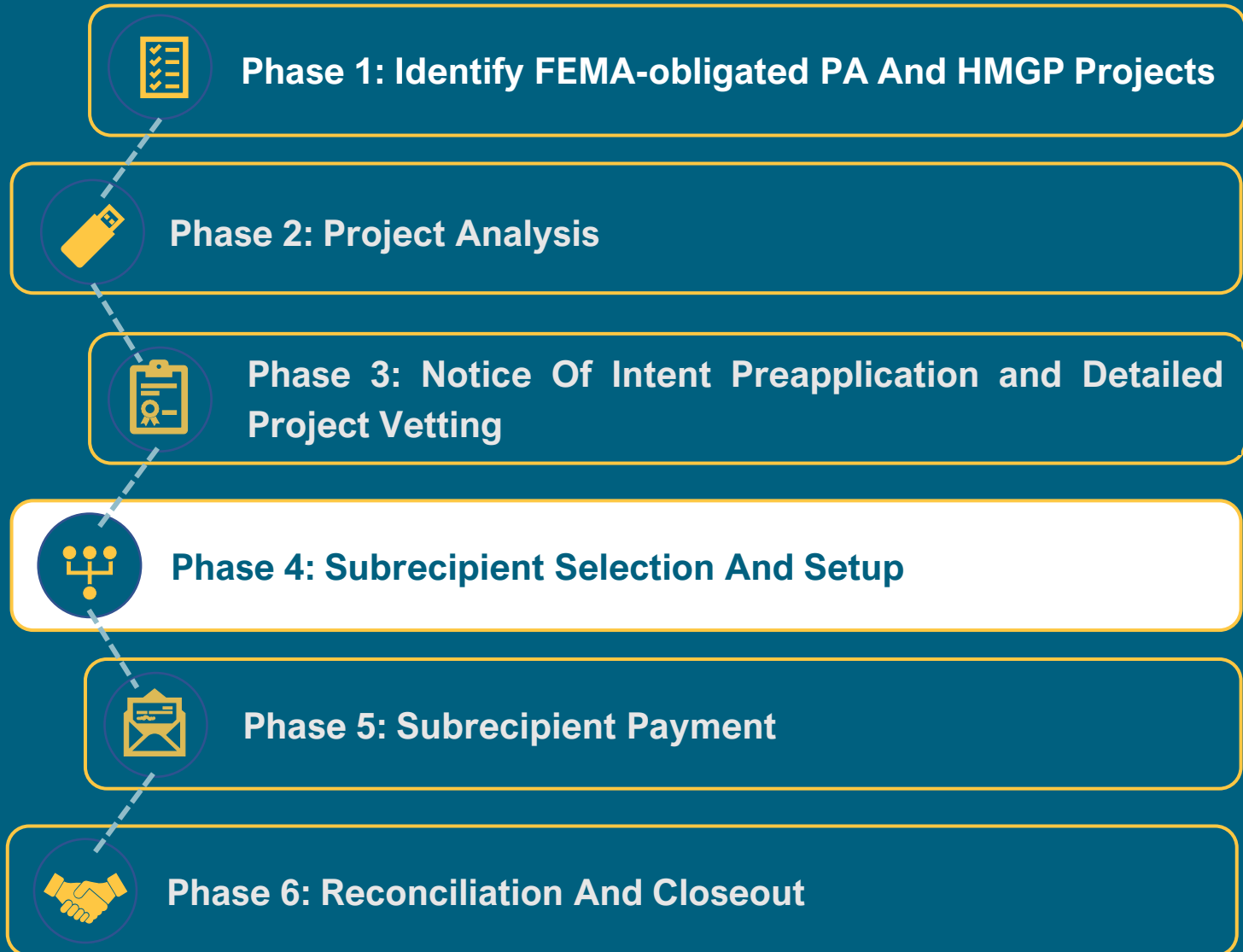
- Every CDBG-DR-assisted project must comply with NEPA and other related Federal and State environmental laws.
- Environmental Review is necessary for all assisted projects, including projects funded partially or in full by CDBG-DR.
- An Environmental Review must occur before any CDBG-DR funds are expended.
- To adopt another Federal agency's review, DED and Subrecipient must obtain a completed copy of the review and keep it in their records.

# Detailed Project Vetting: Force Account Labor Review

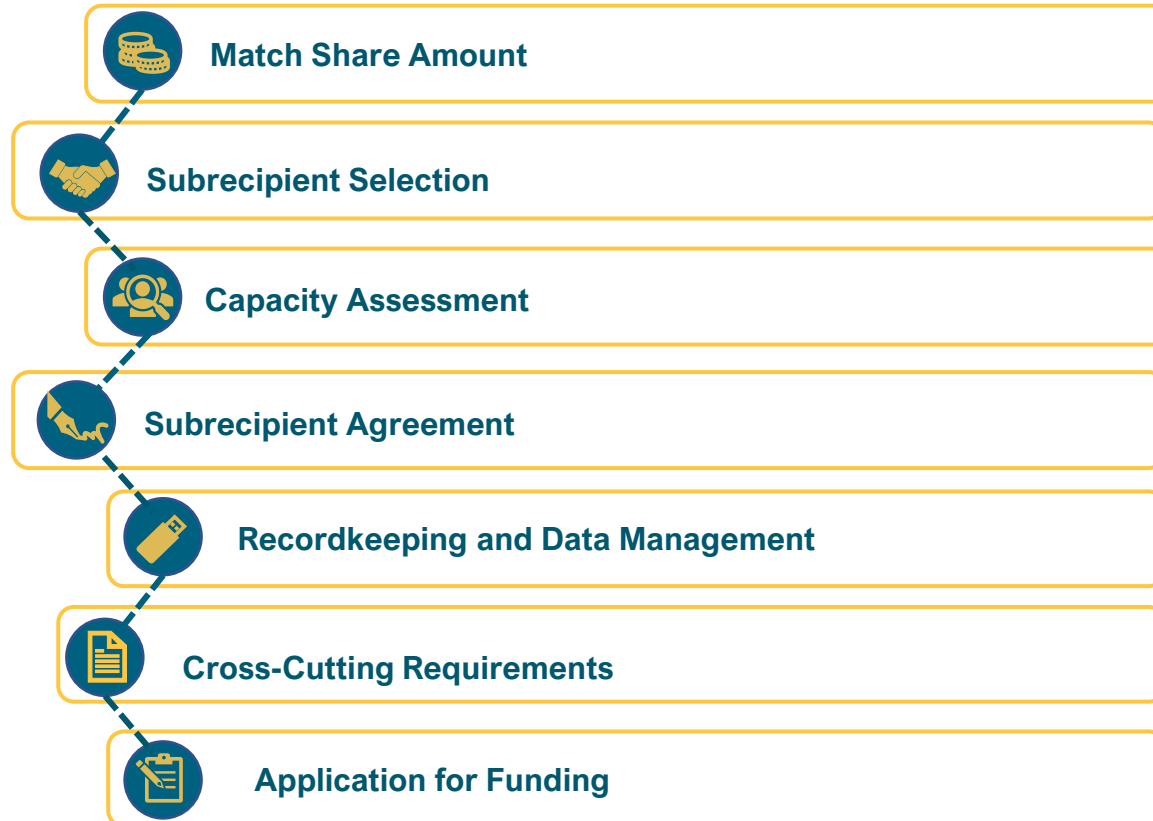
To complete a Forced Account Labor review, DED will review and confirm:

- ✓ Fringe and benefits calculation for accuracy.
- ✓ All timesheets have signatures.
- ✓ Employee names, titles, and standard time and overtime hours by day, work order, description of work performed, and hourly rate.
- ✓ Unions, labor, or bargaining agreements, if applicable.
- ✓ Invoices and supporting documentation for compliance.
- ✓ Proof of payments (i.e., detailed payroll register) for accuracy and compliance.

# Infrastructure Match Program Roadmap



# Subrecipient Selection and Setup: Roadmap



# Subrecipient Selection and Setup: Match Share Amount

- For eligible activities that meet CDBG-DR requirements, DED will reimburse up to 10% under the FEMA PA Program and up to 25% under the HMGP Program.

**10%**

FEMA PA

**25%**

FEMA HMGP

- CDBG-DR funds may be used as match for projects that:
  - ✓ Demonstrate an unmet recovery need remains; and
  - ✓ Are critical to restoring and making the community more resilient.

# Subrecipient Selection and Setup:

## Subrecipient Selection

- DED will identify Applicants as CDBG-DR Subrecipients that have the capacity to receive the CDBG-DR funding and reimburse eligible work.
- DED will review the organization or local government for the following:

✓ Past experience.

✓ Sufficient staffing level.

✓ Financial management systems and capacity.

✓ Past performance and general financial standing.

✓ Other criteria, as required by the complexity and nature of the project.

# Subrecipient Selection and Setup: Capacity Assessment

- HUD requires a capacity assessment to determine whether an entity has the necessary capacity, established systems, and protocols in place to prevent waste, fraud, and abuse.
- During a capacity assessment, DED considers:

✓ Staffing.

✓ Prior project experience.

✓ Prior Federal funding experience.

✓ Existing P&Ps.

# Subrecipient Selection and Setup: Subrecipient Agreement

- Before funds are allocated, the Subrecipient must establish the Grantee-Subrecipient relationship through a Subrecipient Agreement (SRA).
- The SRA:

✓ Establishes the relationship between DED and the Subrecipient.

✓ Defines roles and responsibilities.

✓ Lays out the requirements of the grant.

✓ Allows for CDBG-DR grant funds to follow the Grantee through the Match Program.



# Subrecipient Selection and Setup: Recordkeeping and Data Management

- The written SRA with the Subrecipient will include provisions concerning particular records and reports the Subrecipient must maintain and submit to the Grantee in meeting its recordkeeping and reporting requirements.
- Once obligated projects are closed out under FEMA, an SRA may be amended to reflect the updated match amount and final SOW.

# Subrecipient Selection and Setup: Cross-Cutting Requirements

- **Labor Standards:** The Davis-Bacon and Related Acts (DBRA) applies to all federally-funded or assisted construction contracts in excess of \$2,000.
- **Section 3:** HUD's Final Rule requires each grantee to report on Section 3 compliance per the reporting requirements for each applicable program.
- **Financial Management System:** Requirements have been established to make sure that Subrecipients have an operational financial management system (e.g., effective control over the accountability for all funds, property, and other assets).
- **Monitoring and Compliance:** Subrecipients must carry out their projects in a way that meets the compliance requirements, including monitoring requirements for project administrators, contractors, and subcontractors.

\*Additional Cross-Cutting Requirements [guidance](#)

# Ongoing DED Monitoring

- Subrecipients will be monitored through **desktop monitoring** and may be subject to **on-site monitoring**.

Desktop Monitoring	On-site Monitoring
<ul style="list-style-type: none"><li>• Request documentation from Subrecipient.</li><li>• Review collected documentation for compliance with CDBG-DR requirements.</li><li>• Issue a Monitoring Report identifying areas of review, areas of weakness, areas of merit, and recommendations.</li></ul>	<ul style="list-style-type: none"><li>• Review project and program files for compliance with CDBG-DR compliance.</li><li>• Interview Subrecipient staff, engineers, or consultants as appropriate.</li><li>• Issue a Monitoring Report identifying areas of review, areas of weakness, areas of merit, and recommendations.</li></ul>

If not already completed, all projects will be monitored at least once prior to closeout. Frequency and type of monitoring is based on the results of the annual risk assessment.

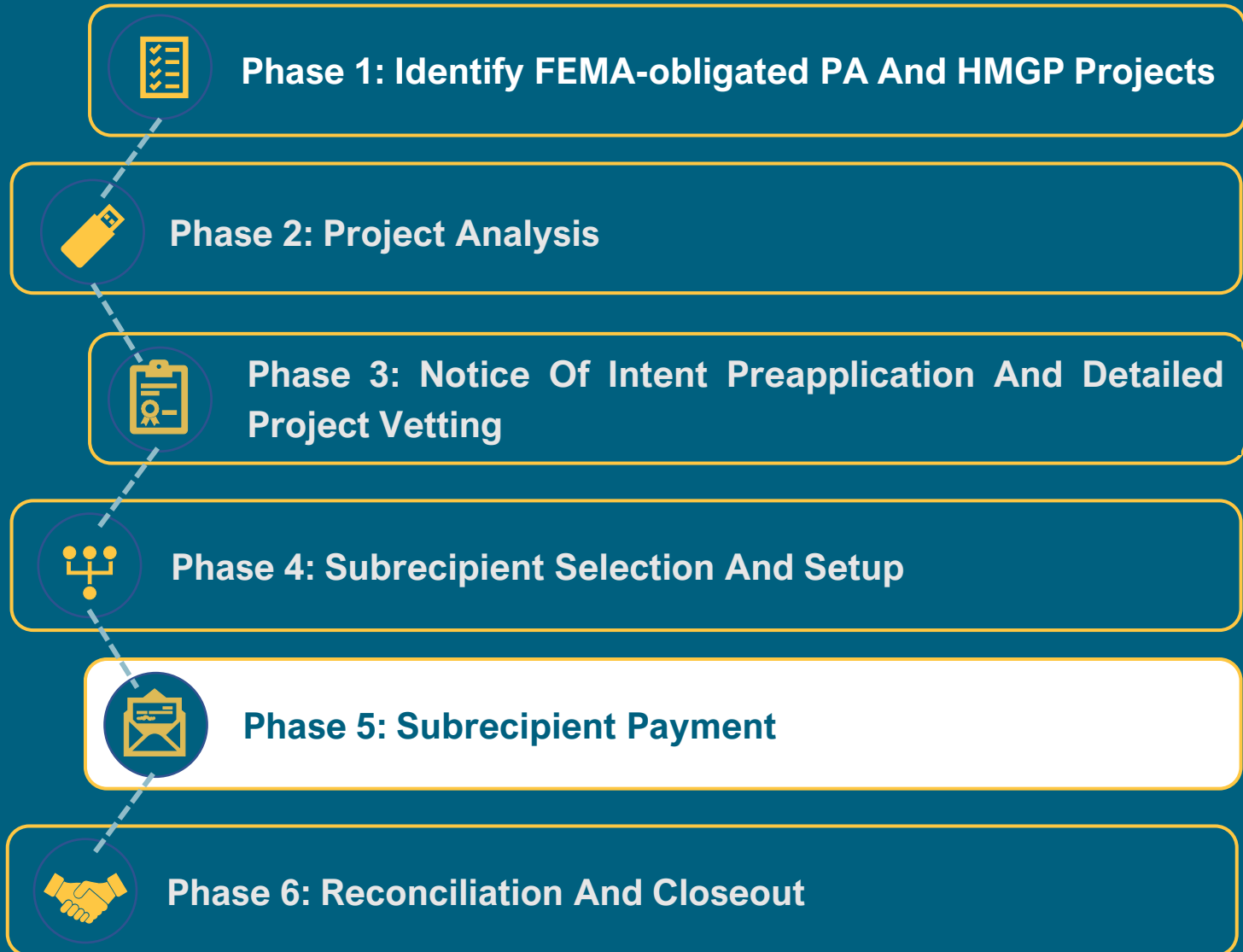
# Subrecipient Selection and Setup: Application for Funding

- Subrecipients will be required to collect all necessary data into one place and submit it to DED (Application for Funding Template).
- The Application contains and further evaluates all the CDBG-DR eligibility components of the Match Program. The application for funding cannot be approved until the SRA is executed.
- The primary method for communicating the status of the payment request is the messaging system within DED's grant management software (GMS).



# **PHASES 3 & 4: BREAKOUT DISCUSSION**

# Infrastructure Match Program Roadmap



# Subrecipient Payment: Roadmap



**Request for Release of Funds**



**Invoicing**

# Subrecipient Payment: Request for Release of Funds

- HUD assisted projects are required to undergo an Environmental Review (ER) prior to being able to request the release of funds (RROF).

✓ DED may adopt FEMA's ER and will be determined on a project-by-project basis.

✓ Subrecipient does not need to supplement FEMA's Environmental and Historic Preservation (EHP) review to comply with HUD regulations.

✓ All Environmental Review obligations are considered complete when the Grantee adopts FEMA's review.

✓ At the completion of the Environmental Review, Subrecipients may complete a RROF to request the authority to use grant funds.

✓ Subrecipients will submit RROFs to DED.

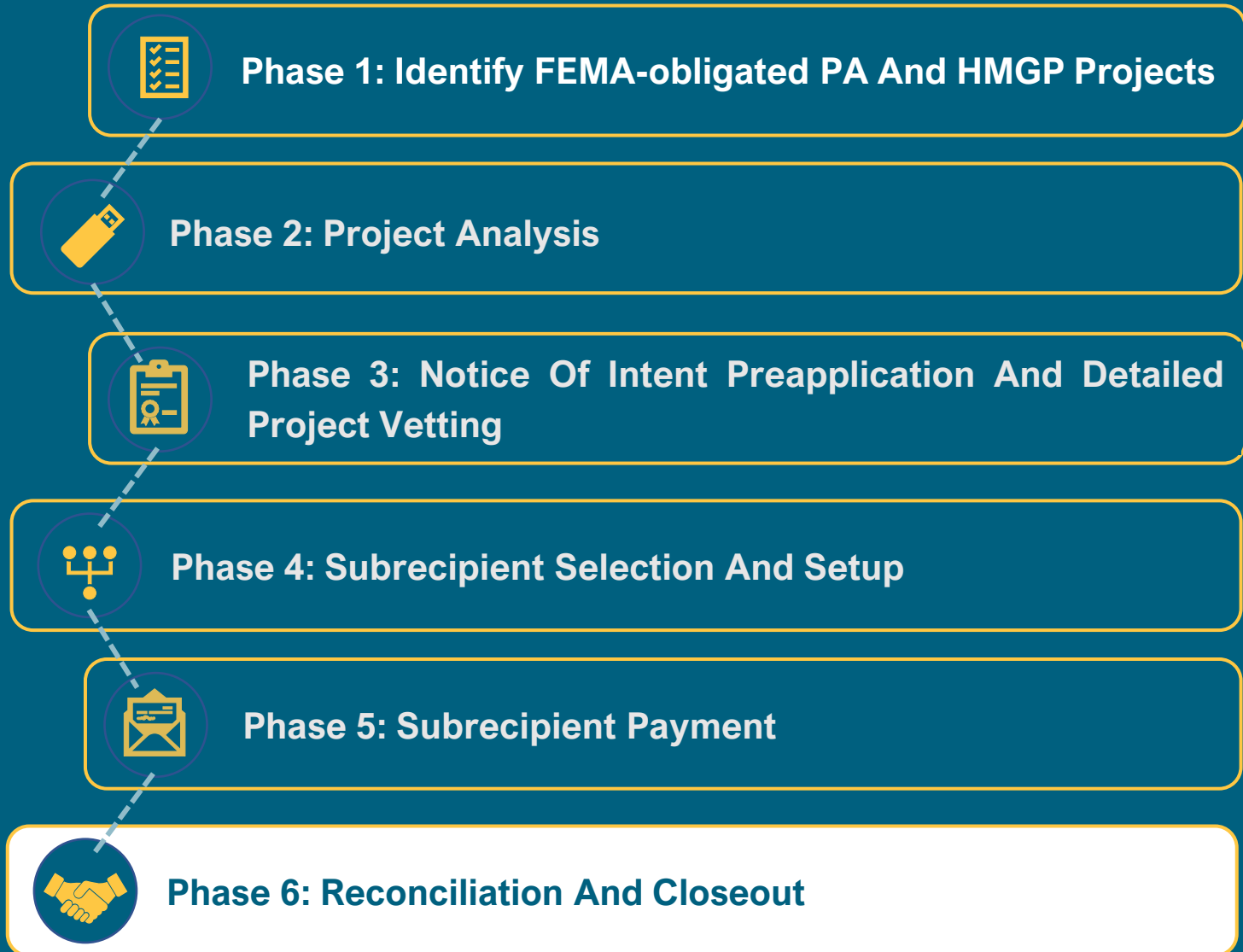
Note that during the detailed review, DED will confirm that the ER is complete.



# Subrecipient Payment: Invoicing

- Subrecipient payments are expended on a reimbursement-based payment process.
- “Reimbursement-based” means that project costs must be incurred by the subrecipient and documented as required by the terms of the subrecipient agreement for payment of invoices. Reimbursement ensures proper documentation is in place before Subrecipients receive funding.
- The subrecipient submits a draw request form. DED reviews and approves the form per grant conditions.
- For PA and HMGP projects receiving funds under the Infrastructure Match Program, DED makes payments while documenting the match payment to FEMA and NEMA.

# Infrastructure Match Program Roadmap



# Reconciliation and Closeout: Roadmap



**Project Closeout Procedures**



**Retention of Records**

# Reconciliation and Closeout: PA Match Project Closeout Procedures

## PA Match Program Closeout

Once a PW has a “Closed” status in EMMIE, DED will determine if any additional Match will be paid to the Applicant for other PWs.

If a PW is “Closed” in EMMIE, and DED **will not be** paying any further match to the SR.

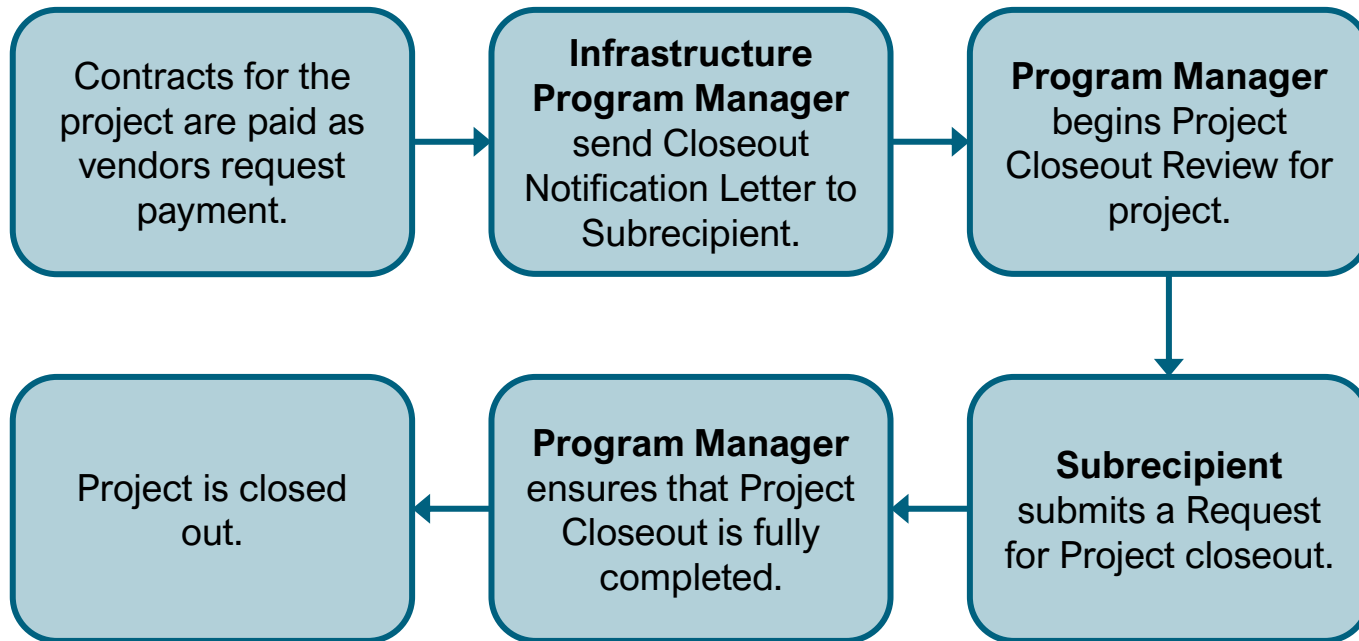
- A final review of the PW’s file.
- Letter to the Applicant requiring the Applicant to sign-off on the specific documentation that DED used to make their funding recommendation.

If a PW is “Closed” in EMMIE, but DED **will be** paying more match to the SR.

- DED will collect closing documentation as it becomes available but will wait to send the letter to the SR until the SR will no longer receive any match from DED.

# Reconciliation and Closeout: HMGP Project Closeout Procedures

- HMGP Match Program closeout:



# Reconciliation and Closeout: Retention of Records

- Subrecipients are responsible for establishing and maintaining financial accountability for CDBG-DR funds, complying with CDBG-DR regulations, and establishing and maintaining project files and records.



# **PHASES 5 & 6: BREAKOUT DISCUSSION**



INTRODUCTION

INFRASTRUCTURE MATCH PROGRAM

**NEXT STEPS**



# Next Steps



## Visit the DED CDBG-DR Program Website

On the website you can sign up for the CDBG-DR program newsletter and review programmatic materials.

**Website:** [opportunity.nebraska.gov/cdbg-dr](https://opportunity.nebraska.gov/cdbg-dr)



## Provide Feedback Directly to DED

Additional feedback can be provided directly to the DED CDBG-DR team

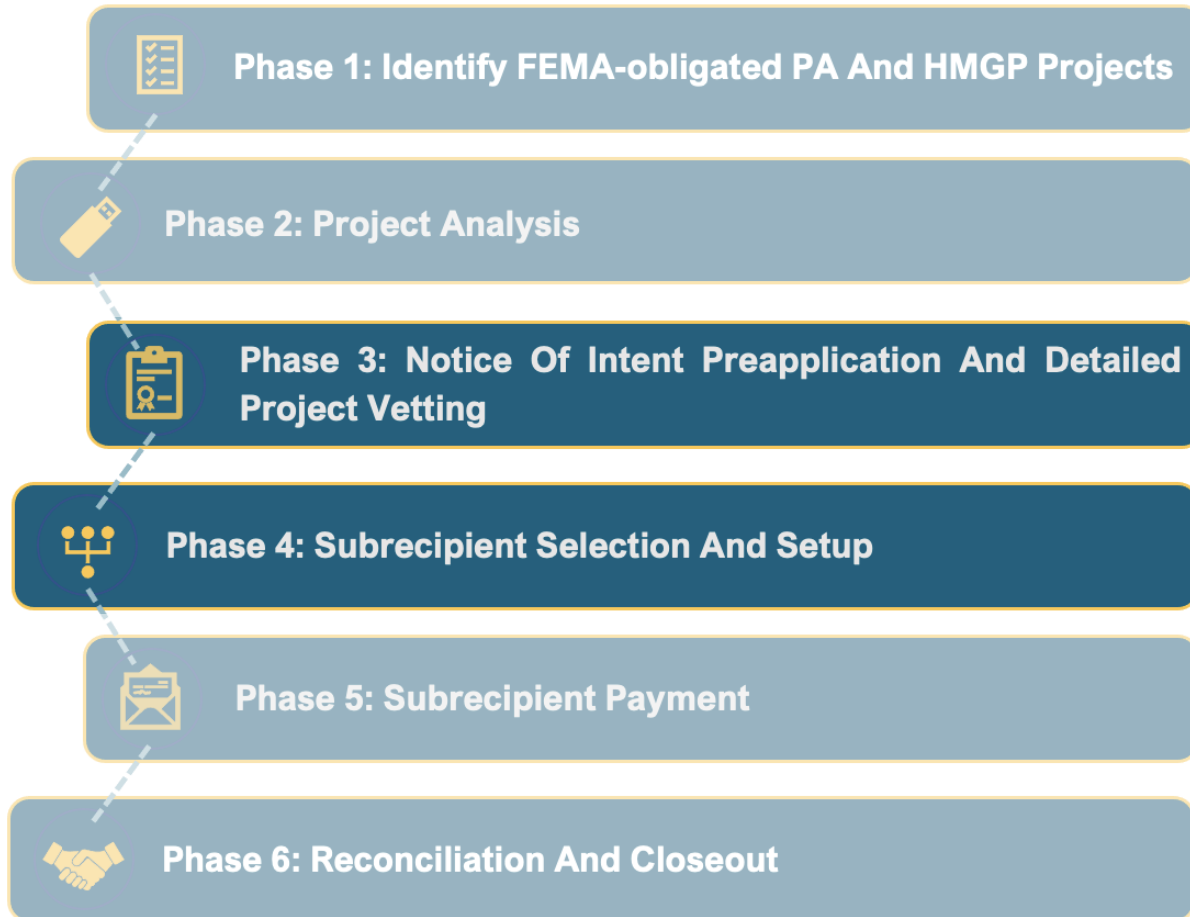
**Email:** [ded.cdbgdr@nebraska.gov](mailto:ded.cdbgdr@nebraska.gov)



## Attend Future Focus Group Sessions

The next focus group session will be held in **February**. The focus of the next focus groups will be on compliance requirements.

# Next Steps - Focus Group Sessions



# Q&A



# Contact Information

CDBG-DR Assistance

Housing & Community Development

[ded.cdbgdr@nebraska.gov](mailto:ded.cdbgdr@nebraska.gov)

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