

# Grantee: Nebraska

## Grant: B-19-DF-31-0001

### July 1, 2022 thru September 30, 2022 Performance

---

<b>Grant Number:</b> B-19-DF-31-0001	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> Nebraska	<b>Contract End Date:</b> 07/07/2027	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$108,938,000.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> Jenny Mason
<b>LOCCS Authorized Amount:</b> \$108,938,000.00	<b>Estimated PI/RL Funds:</b>	
<b>Total Budget:</b> \$108,938,000.00		

## Disasters:

### Declaration Number

FEMA-4420-NE

## Narratives

### Disaster Damage:

After record low temperatures that created frost depths approximately two feet deep and ice on rivers and creeks in winter of 2018-2019, Winter Storm Ulmer, a bomb cyclone – or “winter hurricane,” a term given to a rapidly intensifying storm – roughly equivalent in power to a Category 2 hurricane, moved across Nebraska between March 12 and 15, 2019. Recorded wind gusts during the cyclone approached 80 mph in many parts of the state and contributed to blinding blizzard conditions that closed highways and stranded motorists. Many roads and bridges, and other infrastructure, were damaged such that they were “out of service” or impassable for a considerable amount of time, causing remarkable disruption.

The bomb cyclone also brought heavy snow, blizzard conditions, rainfall, and above-freezing temperatures into much of the interior of the US. This part of the country already had significant snowpack on the ground due to above-average precipitation during the 2018-2019 winter season. Nebraska experienced its worst flooding event in 50 years between March and July 2019. As temperatures warmed in April and May 2019, the heavy snow and excessive rainfall from the 2018-2019 winter season contributed to rapid melting of ice and snow, resulting in flooded rivers and ice jams that breached levees, damaged infrastructure, and destroyed thousands of homes and businesses. The eastern side of the state was particularly impacted by flooding, resulting in fatalities, evacuations, and search and rescue missions. In many areas, the flood damage was exacerbated by thick river ice breaking off in an atypically severe manner. Bridges were washed away by flooding or rendered impassable due to accumulated ice chunks.

### Recovery Needs:

Grantees who receive an allocation through the CDBG-DR program are required to conduct an Unmet Needs Assessment (UNA) to assist in the identification and prioritization of critical unmet needs following a disaster and to identify long-term recovery efforts that will mitigate against future disasters. For DR-4420, the State of Nebraska’s UNA identified \$269,043,934 in unmet need, specifically \$55,637,821 in unmet housing need, \$196,163,422 in unmet infrastructure need, and \$17,242,691 in economic revitalization need. Throughout the State, recovery efforts have been taken and continue to be initiated for public and private housing and infrastructure facilities. Local jurisdictions reported having completed repairs on homes that were damaged or destroyed as well as repairing infrastructure facilities. However, additional need remains. As a result of the UNA process, Nebraska will establish five programs (funding opportunities) to assist in its disaster recovery:

1. Infrastructure Match Program
2. Affordable Housing Construction Program
3. Homeowner Assistance Program
4. Risk Awareness Planning Program
5. Housing Resilience Planning Program

Nebraska’s CDBG-DR program and funding opportunities are not designed or intended to create Program Income nor establish revolving loan funds (RLFs).

Low- and Moderate-Income (LMI) & Vulnerable Populations: Nebraska will prioritize activities under the housing programs that benefit LMI households, persons experiencing homelessness, and individuals requiring supportive housing, as identified in 24 CFR 91.315(e).

Prioritization of vulnerable populations aligns with applicable Fair Housing requirements.

Most Impacted and Distressed (MID) Areas: HUD requires that 80% of CDBG-DR funds be allocated and spent in HUD-defined MID areas. HUD originally identified the MID areas as being the entirety of Sarpy County, zip code 68025 (Fremont, Inglewood, and Woodcliff) in Dodge County, and zip codes 68064 and 68069 in Douglas County (Valley and Leshara). Based on the UNA, Nebraska expanded the HUD-defined MID to include all of Dodge County and Douglas County. As a result,



Dodge, Douglas, and Sarpy counties will be the target for 80% of available CDBG-DR funding.

**Infrastructure Needs:** As the UNA and HUD’s early assessments both indicate, DR-4420 generated catastrophic impacts to infrastructure, resulting in significantly higher losses in that category than economic and housing needs. Infrastructure damage was widespread, with 84 out of 93 counties impacted, reporting damage to roads, bridges, levees, dams and many other critical infrastructure facilities. To address the extensive infrastructure needs within the state, the state is prioritizing CDBG-DR funding under DR-4420 for infrastructure recovery.

**Housing Needs:** To determine how many housing units would require funding through the CDBG-DR program, DED conducted a data analysis to review the total number of homes served through existing State housing programs. DED estimated the total remaining unmet need in both the HUD MID and state MID areas to be 252 housing units.

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	\$0.00	\$6,196,900.00
<b>Total Budget</b>	\$0.00	\$6,196,900.00
<b>Total Obligated</b>	\$0.00	\$0.00
<b>Total Funds Drawdown</b>	\$105,376.15	\$1,418,041.84
<b>Program Funds Drawdown</b>	\$105,376.15	\$1,418,041.84
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$1,418,041.84	\$1,418,041.84
<b>HUD Identified Most Impacted and Distressed</b>	\$1,134,433.47	\$1,134,433.47
<b>Other Funds</b>	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

**Funds Expended**

<b>Overall</b>	<b>This Period</b>	<b>To Date</b>
Nebraska Department of Economic Development <sup>1</sup>	\$ 1,418,041.84	\$ 1,418,041.84

**Progress Toward Required Numeric Targets**

<b>Requirement</b>	<b>Target</b>	<b>Projected</b>	<b>Actual</b>
<b>Overall Benefit Percentage</b>	70.00%	.00%	.00%
<b>Minimum Non Federal Match</b>	\$.00	\$.00	\$.00
<b>Overall Benefit Amount</b>	\$71,918,770.00	\$.00	\$.00
<b>Limit on Public Services</b>	\$16,340,700.00	\$.00	\$.00
<b>Limit on Admin/Planning</b>	\$21,787,600.00	\$6,196,900.00	\$1,418,041.84
<b>Limit on Admin</b>	\$5,446,900.00	\$5,446,900.00	\$1,418,041.84
<b>Most Impacted and Distressed</b>	\$87,150,400.00	\$4,957,520.00	\$1,134,433.47

**Overall Progress Narrative:**

Progress Overview QPR-2022 Q3, July 1, 2022 - September 30, 2022

Except for the expenditure of Admin, there were no expenditures nor accomplishments to report during this period. DED had projected 1) expenditures for infrastructure, housing, and planning activities to occur within the reporting period, 2) accomplishments for infrastructure activities under the Infrastructure Match (Match) Program, and 3) accomplishments for housing activities. However, funding awards for affordable housing projects did not occur until late in Q2 2022 and accomplishments are not anticipated for those housing awards for several months and not before funding agreements are in place. Expenditures for administration and planning have been higher than projected due to the extent and content of the grant conditions, requiring DED to create myriad policies and procedures, including those for program implementation needs prior to HUD allowing DED to launch programs. DED diligently continues work to meet HUD feedback.

DED delivered technical assistance to potential subrecipients seeking funding through the Match program via webinars and, by request, one-on-one correspondence or engagement to address specific areas of concern raised by those individuals and groups. Similarly, DED delivered technical assistance to applicants of housing programs via four webinars and, upon request, one-on-one correspondence or engagement to address specific areas of concern raised by those individuals and groups. Additionally, DED held five due diligence and TA sessions for the five recipients of NOIAs issued in Q2 for LIHTC/CDBG-DR awards



The program experienced challenges in the finalization of materials for publication. During this reporting period, DED published, on its website, the final versions of the implementation manual (CDBG-DR Manual) and delivered technical assistance to potential subrecipients and successful applicants through webinars, publication of program tools, and other resources. DED was successful in hosting two formal technical assistance training events for applicants to its infrastructure and housing programs, respectively. Additional program resource and technical assistance materials are on schedule to be published during the next reporting period. Aligning program launch timelines with capacity continues to be a challenge. Due to its piggyback programs to address housing and infrastructure unmet needs, DED must align its resources and schedules to any standing funding cycles of its partners; and, while challenging, still likely to result in swifter accomplishments than standing up standalone, unfamiliar programs. In the case of its partnership with NIFA, the AHCP was able to launch quickly alongside an immediate application cycle for their 2022 and 2023 QAP. DED is in the process of determining if CDBG-DR resources may be available for the upcoming 2024 QAP. As for its Infrastructure Match Program, the timing of DR assistance becoming available has been a significant challenge related to some projects having not yet started, others in progress, and still others being complete. While DED did anticipate some degree of this, the scale and scope of the problem was exacerbated by the process to address grant conditions. Moreover, with a record amount of federal funding available to address community needs in the state and across the nation, DED and its stakeholders and partners are working diligently to be good stewards of those federal resources, inclusive of these DR funds.

Furthermore, DED worked with its local, state and regional partners, and stakeholders to assess outstanding unmet recovery needs, as well as develop and amend programs to address those unmet needs. There are no immediate action plan amendments, substantial or otherwise, planned in the next reporting period. Relatedly, DED continues to await HUD response to a waiver request submitted on May 18. This waiver involves budgeting for cost types at the grantee program-level. If allowed by HUD, subrecipients and beneficiaries are expected to indirectly benefit from this waiver request through better planning around program design and implementation as funding will be allocated for this purpose under planning costs.

During the next reporting period, through the NIFA-DED joint application process, applications for the 2023 9% LIHTC funding round will be selected, and awards announced. This round is expected to again include CDBG-DR assistance via the Affordable Housing Construction Program. In addition, DED anticipates concluding its detailed project vetting of submitted Infrastructure Match Program pre-applications to determine project eligibility. In the subsequent reporting period (Q1 3023), DED anticipates publishing its application for the second prong of its AHCP, the Homeowner Production Program (HPP).

DED anticipates publication, on its website, the final versions of application and program guidelines and to deliver technical assistance to potential subrecipients and successful applicants through webinars, publication of program tools, and other resources. DED anticipates incurring expenditures for Housing and Infrastructure activities during Q4 2022.

**Milestones**

July 19-21 and 26, 2022. DED staff participate in HUD Technical Assistance held via teleconference system. Topics included Environmental Review/HEROS, Section 3, Procurement, Financial Management, DRGR, Fair Housing, and Civil Rights.

July 20, 2022. Affordable Housing Construction Program - LIHTC Gap Financing subprogram: NIFA-DED joint application pre-applications due for the 9% round.

August 1, 2022- September 20, 2022. DED provided 12 Office Hours for applicants this included both PA and HMGP projects.

August 25, 2022. Affordable Housing Construction Program - HPP: DED held a formal informational webinar for technical assistance to potential applicants and other interested parties. DED provided an overview of the program goals, requirements, and next steps for applicants. 33 registered and 31 attended, not including DED staff or its agents.

August 29, 2022. DED published the HUD-approved QPR for Q1 2022.

August 31, 2022. Affordable Housing Construction Program - LIHTC Gap Financing subprogram: NIFA-DED joint application full applications due for the 9% round. 7 of 17 applications requested consideration for awards of CDBG-DR.

September 20, 2022. DED submitted to HUD the 2020-2024 Consolidated Plan Minor Amendment (2), incorporating CDBG-DR funding for compliance with the requirements per FR 6182-N-01.

September 21, 2022. Infrastructure Match Program: DED completed its tiering review of all pre-application submissions. 284 total submissions were received. 15 submissions were opt-out letters. DED completed a tiering checklist on the remaining 269 submissions, resulting in 258 PA projects and 11 HMGP projects; 15 of those PA projects were determined ineligible under the program guide and underlying action plan. Q2 QPR listed a total of 266 submissions. During Q3, additional pre-applications and opt-out letters were accepted following outreach and technical assistance to that end.

September 29, 2022. Infrastructure Match Program: DED conducted a formal informational session for projects involving acquisition. DED provided an overview of program goals, cross-cutting requirements, and next steps for applicants. 12 persons registered and 10 attended, not including DED staff or its agents.

**Project Summary**

Project #, Project Title	This Report Program Funds Drawdown	To Date Project Funds Budgeted	Program Funds Drawdown
--------------------------	--	--------------------------------------	---------------------------

9999, Restricted Balance	\$0.00	\$0.00	\$0.00
DR-19-AD, Administration	\$105,376.15	\$5,446,900.00	\$1,418,041.84
DR-19-AHC, Affordable Housing Construction Program	\$0.00	\$26,000,000.00	\$0.00
DR-19-HAP, Homeowner Assistance Program	\$0.00	\$11,000,000.00	\$0.00
DR-19-HRP, Housing Resilience Planning Program	\$0.00	\$2,250,000.00	\$0.00
DR-19-IMP, Infrastructure Match Program	\$0.00	\$63,491,100.00	\$0.00
DR-19-RAP, Risk Awareness Planning Program	\$0.00	\$750,000.00	\$0.00

