Community Development Block Grant - Disaster Recovery (CDBG-DR) Program for DR-4420

Community Meeting For Beneficiaries

November 29, 2021



WEBEX OVERVIEW



The **chat** will be monitored for questions and comments.



Utilize the **chat** during the conversation.



You will be kept on **mute** during the meeting. Please use the **chat** to ask questions during the discussion.



Know that we will be available via **email** for any additional thoughts or feedback.

INTRODUCTION

PROGRAM OVERVIEW

HOW TO STAY INVOLVED

Q&A

INTRODUCTIONS

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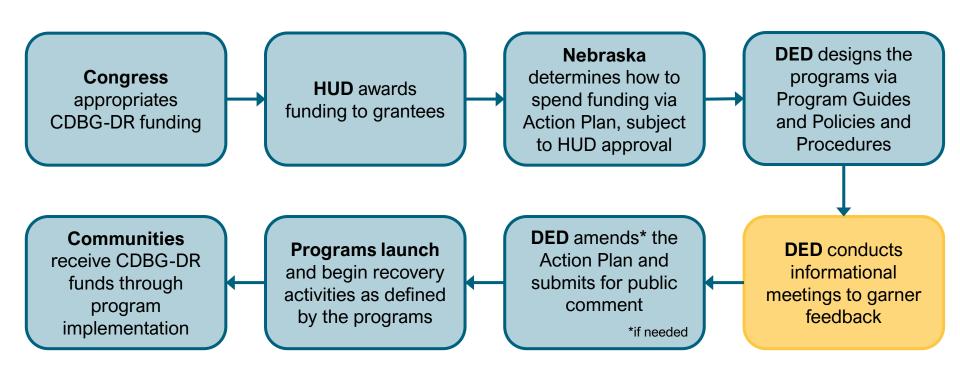
MEETING OBJECTIVES

- Explain the purpose of the State of Nebraska's CDBG-DR programs.
- **Describe** how the programs are expected to connect with and impact communities that were affected by Winter Storm Ulmer.
- **Provide** an opportunity for meeting participants to provide feedback on program implementation and design.
- **Identify** opportunities to engage with the programs and receive information via the State's mailing list.

INTRODUCTION TO CDBG-DR

- The United States Department of Housing and Urban Development (HUD) administers the CDBG-DR Program nationally.
- The Nebraska Department of Economic Development (DED) manages the CDBG-DR Program for the State of Nebraska.
- CDBG-DR provides flexible grants to support long-term recovery efforts and address remaining unmet needs that are not addressed by other funding sources.
- Funds must prioritize spending in HUD-defined Most-Impacted and Distressed (MID) areas and for Low- to Moderate-Income (LMI) populations.
 - 80% of funds must address needs in the HUD-defined MID.
 - 70% of funds must support LMI populations.

HOW DOES THE STATE ACCESS CDBG-DR FUNDS?



INTRODUCTION

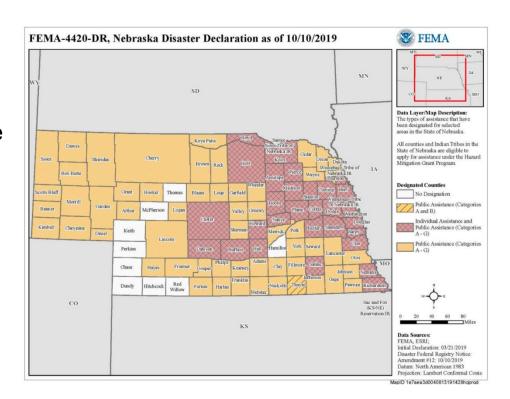
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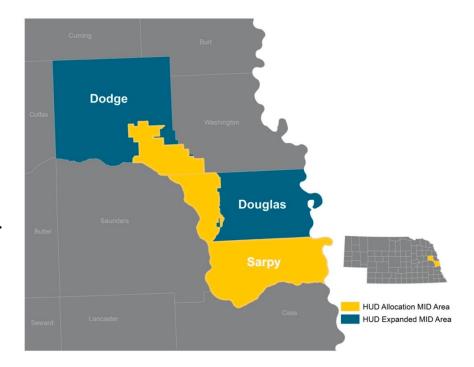
ASSOCIATED ALLOCATIONS

- The current disaster covered by CDBG-DR funds is DR-4420 for severe winter storm, straight-line winds, and flooding.
- All impacted areas may be eligible for program funds.



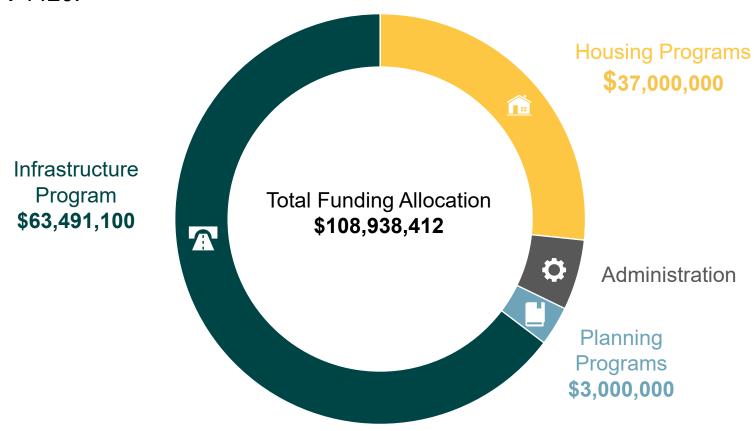
HUD-DEFINED MOST IMPACTED AND DISTRESSED (MID) AREAS

- The HUD-defined MID area includes Dodge, Douglas, and Sarpy counties.
- 80% of program funds must be spent in the HUD-defined MID area.



CDBG-DR PROGRAM FOR DR-4420

The State of Nebraska is overseeing five CDBG-DR programs in response to DR-4420:



INFRASTRUCTURE MATCH PROGRAM





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.

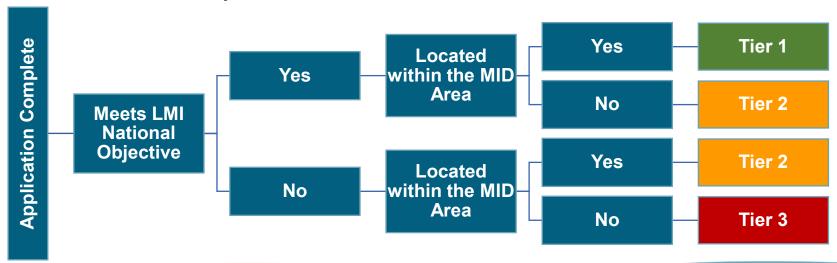
75% of funding is allocated for the FEMA PA Match

25% of funding is allocated for the FEMA HMGP Match



HOW WILL DED PRIORITIZE PROJECTS?

- Eligible projects will be classified and prioritized using three tiers:
 - **Tier 1**: Project is in HUD-defined MID **and** meets the LMI National Objective.
 - **Tier 2**: Project is in HUD-defined MID **or** meets the LMI National Objective.
 - **Tier 3**: Project is not located in the HUD-defined MID and does **not** meet the LMI National Objective.





INFRASTRUCTURE MATCH PROGRAM

How the Program Works

The State will pre-identify recipients of FEMA-PA and/or HMGP funds who may be eligible for Match.



The State will release a Notice of Funding Availability (NOFA) to eligible Applicants.



Eligible Applicants may choose to accept or deny the funding opportunity.

Expected Community Impact

- Infrastructure Match Program funds will be made available directly to eligible Applicants such as:
 - Local governments
 - Public schools (K-12) and Universities
 - Natural Resource Districts
 - Non-profit Organizations
- The Infrastructure Match Program will offset the local cost share for infrastructure projects to expand the reach of projects that address impacts from Winter Storm Ulmer and mitigate similar impacts in the future.

HOUSING PROGRAMS





HOUSING PROGRAMS

AFFORDABLE HOUSING CONSTRUCTION PROGRAM

The Affordable Housing
Construction Program (AHCP)
funds construction and
rehabilitation of both multi-family
and single-family homes for LMI
families.

\$26,000,000 in available funding

HOMEOWNER ASSISTANCE PROGRAM

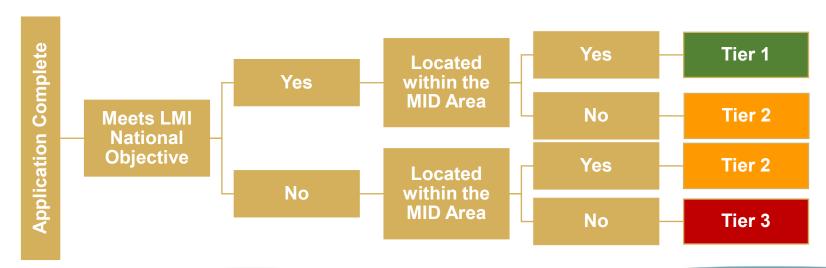
The Homeowner Assistance
Program (HAP) helps
homeowners who lost their
houses, prospective homebuyers,
and renters with gap financing,
principal reduction, and forgivable
housing loans.

\$11,000,000 in available funding



HOW WILL DED PRIORITIZE PROJECTS?

- Applications will be classified in three tiers:
 - **Tier 1**: Project is in a HUD-defined MID area **and** meets the LMI National Objective.
 - **Tier 2**: Project is in a HUD-defined MID area **or** meets the LMI National Objective.
 - Tier 3: Project is not located in a HUD-defined MID area and does not meet the LMI National Objective.



AFFORDABLE HOUSING CONSTRUCTION PROGRAM





AFFORDABLE HOUSING CONSTRUCTION PROGRAM

There are two applications that will be used to identify and select eligible Subrecipients for the Affordable Housing Construction Program:

JOINT LOW-INCOME HOUSING TAX CREDITS (LIHTC) APPLICATION

- DED is partnering with the Nebraska Investment Finance Authority (NIFA) to offer a joint application that will be incorporated to the application for LIHTC
- Applicants are not required to be eligible for LIHTC to be considered eligible for CDBG-DR funds.
- Funding through the joint application will support construction and rehabilitation of rental housing.

DED-MANAGED APPLICATION

- DED is also managing an application for CDBG-DR funds for all eligible activities, including construction of affordable single-family housing.
- Eligible activities include:
 - Construction of owneroccupied housing
 - New home construction for sale to LMI homeowners
 - Land acquisition



AFFORDABLE HOUSING CONSTRUCTION PROGRAM

The Affordable Housing Construction Program (AHCP) provides funding for affordable housing construction and rehabilitation.

How the Program Works

Potential Subrecipients apply for the Program via either the joint LIHTC application or the DED-managed application.



DED categorizes potential Subrecipients into tiers and selects Subrecipients accordingly.



Subrecipients manage construction activities at the local level to implement the program.

Expected Community Impact

- By increasing the availability of affordable housing in HUD-defined MID counties, this program will increase access to both single-family and multi-family housing.
- AHCP encourages developers to create or rehabilitate houses or rental units.
- An affordability period is applicable for all units funded through the Affordable Housing Construction Program.

HOMEOWNER ASSISTANCE PROGRAM





HOMEOWNER ASSISTANCE PROGRAM

- The Homeowner Assistance Program (HAP) provides non-construction forms of assistance to <u>LMI</u> individuals who lost their homes in the 2019 floods, including both homeowners and renters. Eligible activities include:
 - Down Payment and Closing Cost Assistance
 - Gap Financing
 - Housing Counseling
- DED will distribute funds to local Subrecipients, who will be responsible for managing implementation at the local level.
- Program beneficiaries who receive services from Subrecipients may include homebuyers, homeowners, and renters.
- Eligible beneficiaries must contribute a least 1% of the purchase price of the home.
- Eligible beneficiaries must attend a pre-purchase homebuyer counseling class provided by a HUD-approved counseling agency.



HOMEOWNER ASSISTANCE PROGRAM

The Homeowner Assistance Program (HAP) **assists LMI households** who lost their homes in the 2019 floods and must find new housing.

How the Program Works

DED releases a Notice of Funding Opportunity (NOFO) and Subrecipients apply for the Program.



DED categorizes potential Subrecipients into tiers and selects Subrecipients accordingly.



Subrecipients manage distribution of funds to beneficiaries at the local level.

Expected Community Impact

- HAP helps homeowners, homebuyers, and renters with down payments and gap financing.
- Financial assistance allows communities to bounce back faster after the flooding and maintain affordability.
- Eligible homebuyers seeking assistance through the program may receive funds through local Subrecipients.

PLANNING PROGRAMS





PLANNING PROGRAMS

DED will administer two planning programs with CDBG-DR funding to increase resilience throughout Nebraska:

RISK AWARENESS PLANNING PROGRAM

Evaluate how privately-owned levees and levee-like structures affected flooding during Winter Storm Ulmer and fund community engagement and risk communication.

Up to \$750,000 in available funding

HOUSING RESILIENCY PLANNING PROGRAM

Provide funding to Subrecipients to develop plans related to housing recovery, resiliency, and affordability.

Up to \$2,250,000 in available funding



RISK AWARENESS PLANNING PROGRAM

How the Program Works

DED and the Nebraska Department of Natural Resources (NeDNR) open a Request for Proposals for contractors to support program implementation.



DED and NeDNR select a contractor to manage the planning program.



The contractor provides planning services to create an inventory of private levees and calculate how they affect future flood risk.

Expected Community Impact

- At the end of the program, local governments and communities near private levees will better understand their flood risk and have concrete plans for mitigation going forward.
- Individuals and communities will have a planning resource to support steps such as accrediting a local levee and taking steps to mitigate their own flood risk.



HOUSING RESILIENCY PLANNING PROGRAM

How the Program Works

DED releases a Notice of Funding Opportunity (NOFO) and Subrecipients apply for the Program.

DED classifies potential Subrecipients into tiers and selects Subrecipients accordingly.

Subrecipients develop
Housing Plans with support
from DED.

Expected Community Impact

This program provides funding to communities who want to make housing plans, such as:

- Housing Recovery Plan: Design programs that help communities recover from the flooding.
- Housing Resilience Plan: Communities determine their existing risks and vulnerabilities and develop actions that increase resilience against future disasters.
- Affordable Housing Plan: Preserve existing and encourage the development of new affordable housing.

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UPCOMING ENGAGEMENT



Public Comment Opportunities



Review and Engage Online



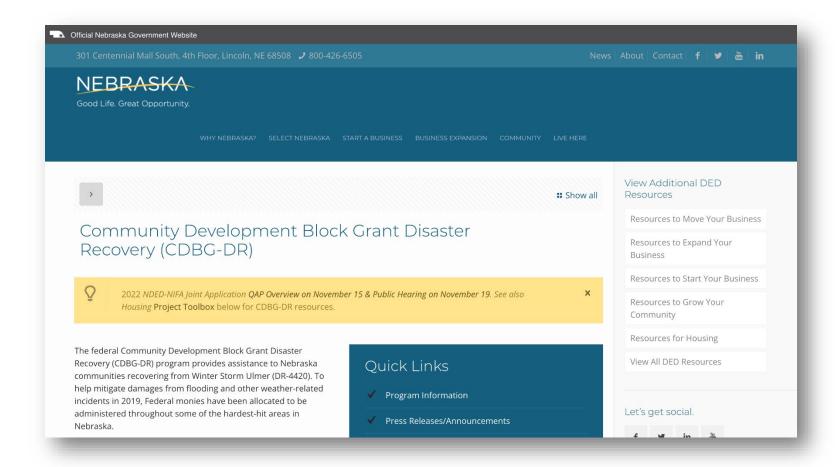
Attend Future Meetings

UPCOMING ENGAGEMENT: PUBLIC COMMENT OPPORTUNITIES

- DED is currently proposing a substantial Action Plan Amendment. This will require a public comment period.
- This upcoming comment period is to be announced.



UPCOMING ENGAGEMENT: REVIEW AND ENGAGE ONLINE



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QUESTIONS?

Contact Information

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Good Life. Great Opportunity.