



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

June 4, 2020

Mr. Gustavo Velasquez  
Director  
Department of Housing and Community Development  
State of California  
2020 West El Camino Avenue  
Sacramento, CA 95833-1876

Dear Mr. Velasquez:

The Department is approving the State of California’s Action Plan for Community Development Block Grant Mitigation (CDBG-MIT) funds appropriated under the Supplemental Appropriations for Disaster Relief Requirements Act, 2018 Public Law (P.L.) 115-123. On August 30, 2019, the Department announced via a *Federal Register* Notice the allocation of \$6.875 billion appropriated under P.L. 115-123 in response to 2015, 2016, and 2017 disasters. The State of California was allocated \$88,219,000 from this appropriation and identified the Department of Housing and Community Development as its administrative agency for the funds. This allocation will be administered under grant number B-18-DP-06-0002. Please note, although the Mitigation Action Plan is approved, the Financial Certifications are still under review to ensure there is sufficient capacity to manage these funds and the associated risks.

Consistent with the August 30th *Federal Register* Notice, the State of California submitted the Mitigation Action Plan to HUD on April 6, 2020, for its mitigation recovery that addressed the applicable requirements. Subsequently, at the Department’s request, the State of California submitted a revised Action Plan on May 26, 2020, which addressed all *Federal Register* Notice requirements for approval and now must be made available to the public via the State’s website. Posting the Action Plan gives the public and other key stakeholders the opportunity to review.

The submitted Action Plan proposes several projects and programs that meet the requirements of the *Federal Register* Notice. The list of CDBG-MIT funded programs and respective budgets are in the CDBG-MIT Allocation Table below.

**Table 1: CDBG-MIT Allocation**

<b>Activity</b>	<b>Allocated Amount</b>
Administration	\$4,400,000
Resilient Infrastructure Program	\$61,379,000
Resilience Planning and Public Services	\$22,440,000
<b>Total</b>	<b>\$88,219,000</b>



The Department emphasizes that the CDBG-MIT grant is a unique opportunity for grantees to develop strategies to mitigate disaster risks and reduce future losses. Overall, HUD seeks to:

- 1) support data-informed investments in high-impact areas;
- 2) build the capacity of States and local governments to evaluate disaster risks;
- 3) support the implementation of policies that reflect local and regional priorities that will have long-lasting effects on community risk reduction; and
- 4) maximize the impact of available funds from other sources.

Although the State of California has completed an important step in its efforts achieve long-term mitigation goals, there are additional steps necessary to move forward. The CDBG-MIT Financial Management and Grant Compliance Certification submitted is currently under review by the Department. Once the review is complete, HUD will send the applicable grant agreement and grant conditions for signature.

The Department remains committed to assisting the State of California. in its efforts to address long-term mitigation needs and looks forward to working with you and your staff in partnership to complete the fund obligation process. If you have any questions regarding this allocation, please contact Jessie Handforth Kome, Director, Office of Block Grant Assistance, at (202) 708-3587.

Sincerely,

John Gibbs  
Acting Assistant Secretary